

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, FEBRUARY 11, 1927



Peoria Life Insurance Company

Peoria, Illinois

The Spring Drive

THE Agency Force of the Peoria Life opens its spring drive ahead of the season with the "Bring Home the Bacon" campaign, an annual institution of long standing, which began February first and runs to the latter part of March. There may be an honest difference of opinion about sales contests, but Peoria Life agents cast a solid and enthusiastic vote for Bringing Home the Bacon.

This campaign has neither the purpose nor the effect of putting on the Company's books a huge volume of

hastily written, high pressure business. What it does do is to furnish the Company's agents with a fresh objective and a new incentive, and to revive their drooping New Year resolutions. It runs long enough to encourage a habit of regular activity and consistent production that has a very favorable effect on their record in subsequent months.

The Bring Home the Bacon campaign is just one of many items on the Peoria Life calendar that point and stimulate the activity of its agents, and make them better, more effective and more prosperous life insurance men.

A Great Year Closed— A Greater Year Ahead!

NINETEEN Twenty-Six was a great year for the Missouri State Life—the greatest in the Company's entire 34 years of history.

Insurance in Force

December 31, 1926, over	\$670,919,000
December 31, 1925,	<u>587,586,508</u>
Gain for the year, over \$	83,000,000

Admitted Assets

December 31, 1926, over \$	70,000,000
December 31, 1925,	<u>61,889,485</u>
Gain for the year, over \$	8,000,000

The wonderful spirit which prevails throughout the entire organization assures even greater success for 1927.

A GREAT COMPANY DAILY GROWING GREATER

Missouri State Life Insurance Company

M. E. Singleton, President

Home Office, St. Louis

LIFE - ACCIDENT - HEALTH - GROUP



THE great artist brings to his aid a wide variety of brushes and pigments for the proper execution and interpretation of his idea. The expert craftsman in wood, stone or metal brings to his service innumerable tools and instruments so that he may secure necessary refinements in his work.

No one can reap the fullest benefits from his daily activities if he lacks proper and adequate equipment to support his ideals, ideas, ambitions and convictions.

As this fact determines preeminence in other arts and crafts, so is it consistently vital to the most successful achievement in life underwriting.

Perfect Protection is a modern refinement of the fundamental idea of life insurance. It is the essential selling equipment of the underwriter, intent on providing the highest and most advanced type of personal protection to those he serves.

A PERFECT PROTECTION ILLUSTRATION

Accident—\$50.00 every week, payable for one day or for **LIFE** if disabled by any accident.

Total Permanent Disability by Accident—\$3,200.00 every year for **LIFE** if totally and permanently disabled by accident. No further premiums to pay and no deductions from the face of the life policy to offset indemnity so paid.

Total Permanent Disability by Sickness—\$3,200.00 for one year if totally and permanently disabled by sickness and \$600.00 each year thereafter. No further premiums to pay and no deductions from the face of the life policy to offset indemnity so paid.

Sickness—\$50.00 every week, payable for one day or for fifty-two weeks if disabled by any sickness.

Old Age—\$5,000.00 cash to you at age 65, or

Natural Death—\$5,000.00 cash or a substantial monthly income to your family should you not survive the age of 65.

Death by Accident—\$15,000.00 cash or \$10,000.00 cash AND a monthly income to your family should death result from accident.

To learn more of Perfect Protection and the strong, progressive institution which has made this service possible, write for our little booklet, "Selling Perfect Protection" which gives other basic reasons for the widespread public demand which Perfect Protection is meeting day by day.

RELIANCE LIFE



RELIANCE LIFE INSURANCE COMPANY of PITTSBURGH
Farmers Bank Building, Pittsburgh, Penna.

Lost!



LOST—On limited opportunity jobs, hundreds of good men who should be selling life insurance. The possibilities in this field are limitless to the man who likes to sell and is affiliated with the right kind of life insurance company. Write E. J. Cotter, Superintendent of Agents, Peoples Life Insurance Co., 130 N. Wells Street, Chicago, today.

The National Underwriter

LIFE INSURANCE EDITION

Thirty-first Year, No. 6

CHICAGO, CINCINNATI AND NEW YORK, FRIDAY, FEBRUARY 11, 1927

\$3.00 Per Year, 15 Cents a Copy

EQUITABLE OF NEW YORK IN AGENCY CONVENTION

Record Breaking Start Has Been
Made for the First Month
of This Year

GROUP BUSINESS IS BIG

New Specialists Course in Life Insurance
Has Been Prepared for
Use of Agents

NEW YORK, N. Y., Feb. 10.—The home office executives of the Equitable of New York held their annual conference here this week with the company's managerial staff. About 50 general agents, agency managers, district managers and supervisors from all sec-



WILLIAM ALEXANDER
Secretary Equitable Life

tions attended the three day session, which was opened by Vice-President Frank H. Davis who expressed his appreciation of the achievements of the field force during the past year and read a message of congratulation from President W. A. Day who is now in Florida.

Record-Breaking Start

After reviewing the gratifying gains made during 1926 in new paid for business, outstanding insurance and total membership in the company's agency clubs, Vice-President Davis announced that a record breaking start for this year had been made, more than \$46,500,000 having been paid for last month, an increase of \$3,500,000 over the corresponding month last year and the largest January production in the company's history. Brief addresses were also made by Vice-President T. I. Parkinson, Secretary William Alexander, Actuary Robert Henderson and Vice-Presidents Leon O. Fisher and Ray D. Murphy.

New Specialists' Course

Superintendent of Agencies W. G. Fitting discussed the subject of Supervision of Agents, while the Equitable's program for the education and training of agents was reviewed by Vice-President John A. Stevenson, who also announced that a new specialists' course

MOST HEAVILY INSURED BOY, F. E. CAMPBELL, JR.

CARRIES A MILLION DOLLARS

Vash Young of the Equitable of New York Handled the Life Insurance Transaction

NEW YORK, Feb. 10.—The most heavily insured boy in the world is now Frank E. Campbell, Jr., son of Frank E. Campbell of this city, on whose life a line of \$1,000,000 has just been placed, according to an announcement made at a testimonial luncheon given in honor of Vash Young of the Equitable of New York by almost 200 clients and friends. The policies were placed in 78 companies, 26 of them being original issuing companies and all were written on the 20-pay life plan at standard rates, with the boy's father named as beneficiary. Arrangements are being made to have a trust agreement drawn up to care for the benefits accruing under the policies.

The largest single policy amounted to \$100,000; ten thousand was taken by the Equitable, Mr. Young's own company, but the names of the other companies participating were not announced.

Vice-President E. V. Peters of the Tubize Artificial Silk Company was the toastmaster at the luncheon, at which the speakers were Mr. Campbell, Sr., H. H. Pennock and Lloyd Bunting of the Equitable of New York; Phillips Wyman of McCall's Magazine; Clifton D. Jackson of Wanamaker's; E. E. and William C. Calkins, Calkins & Holden, advertising counsel, and John E. Gratke, Broadway Association.

in life insurance will be released early this year. The new course consists of 12 lessons dealing with business insurance, life insurance and trust company cooperation, inheritance tax insurance, annuities, income insurance and publicity methods for life underwriters.

Discuss Group Business

The session the second day was devoted entirely to group insurance with Vice-President William J. Graham presiding, who announced that the company's group business last year increased \$208,000,000, a gain of 34 percent or 6 percent more than any other company's record for the year, he then presented M. Lee Alberts, Chicago, and W. M. Duff and M. J. Donnelly of the E. A. Woods agency of Pittsburgh, as the leading group producers of the year. Mr. Donnelly won the signal honor of being not only first in group with a production of more than \$27,500,000 but was also the leader in ordinary for the year.

Edward A. Woods Spoke

The incomparable veteran, Edward A. Woods, whose agency produced almost \$85,000,000 of group last year, made an inspiring talk on the great social benefits and individual happiness to be obtained in selling group, leading to other business increases wherever group is sold. He declared that any agent will make money who makes one group canvass a week and follows through on his contacts.

Assistant Actuary M. Davis talked on meeting competition in the group

HALEY FISKE LAUGHS AT BIGNESS BUGABOO

CITES HIS OWN EXPERIENCE

President of the Metropolitan Life Says
Mere Size Does Not Cause Extra
Burden

NEW YORK, Feb. 10.—Haley Fiske, president of the Metropolitan Life, disagrees with the thought that there is danger of life companies becoming so big that they will be a burden. The point had been made that the acme of increasing cost had been reached so far as reasonable, economical administration was concerned and that any further growth would be a disadvantage. Mr. Fiske says that the experience of the Metropolitan Life has been opposite to this. In an interview in the "Journal of Commerce," Mr. Fiske says:

Says Point Is Curious

"Insurance companies are warned on the curious ground that the larger the company the greater the expense. The facts are just the opposite of what are set forth. The larger the company grows, the less the expense ratio. The Metropolitan Life reduced its expenses in 1926 in the industrial department about 23 1/2 percent, and in the ordinary department nearly one-half of 1 percent. The industrial expense ratio is now much below the expense ratio assumed in the expense loading for computation of premiums. It is true that, including welfare work, the industrial expense ratio is above the assumed rate, but that expense is really offset by reduction in mortality, so that it is not a charge upon the policyholders.

Can Reduce Rates

"Moreover, the larger a company is, the more it is enabled to reduce premium rates. The Metropolitan Life has just begun the issue of industrial policies by monthly premiums which are practically the same on the basis of \$1,000 (although industrial policies are not written by the Metropolitan for so large an amount), as the premium rates of the great ordinary participating companies. Of course, the Metropolitan Life is a participating company. Such a thing has never been dreamed of in industrial insurance. It has been made possible through the size to which the Metropolitan Life has grown."

field, explaining that only two factors were involved, service rendered and the net cost. Quality of service rendered is measured by promptness in settling claims, liberal interpretations of contract and efficient consideration with employer in installing the group plan and seeing that it continues to operate cheaply and effectively.

Economy Is Desirable

As all companies now charge the same premiums and pay the same commissions on similar group cases, dividends are determined by the relative economy with which any particular company writes the business. As the equitable's group overhead has always been low, being 7 percent in 1925, Mr. Davis

(CONTINUED ON PAGE 6)

PROSPERITY OF MASSES IS A BUSINESS ASSET

Is Essential to Large Scale Production Under Modern System

HIGH WAGES PROFITABLE

Outstanding Industrial Figures Are Beginning to See Fallacy of Holding the Worker Down

The prosperity of the working man is now being recognized for the first time in history as a business asset and not merely as a moral obligation, the recent agency convention of the Metropolitan Life was told by Vice-President Henry Bruere, who went on to say that the working man as the principal consumer of manufactured goods is really the man who supports all big industry with its mass production.

"It has become the policy of industry," he said, "to sustain high wages and make good wages and regular employment the prime purpose of industrial management. Notable among the business leaders who have emphasized this point are President Grace of the Bethlehem Steel Company, Henry Ford and Cyrus McCormick of the International Harvester Company.

Pays to Abolish Poverty

"This new economic era is providing for the first time in history an invincible business motive for the abolition of poverty. We see in the Metropolitan that our policyholders in industry are becoming able to provide for themselves through their own wages those things, including insurance, which enable them to obtain economic independence. Thus, for the first time in history we are driving poverty into a corner. It is being done not by philanthropy, not by welfare, but by the gigantic power of industrial American organization.

Conference on Installment Plan

Announcement was also made by Vice-president Bruere that many industrial, business and financial leaders have been invited by the policyholders' service bureau to a conference of group policyholders and other guests at the Congress hotel, Chicago, Feb. 17. The conference is called to discuss the effects of "hand-to-mouth business buying." At this discussion of installment buying the point of view of the railway transportation industry will be given by M. J. Gormley, chairman Car Service Division, American Railway Association. Wholesale distribution will be represented by President Roy L. Davidson, National Wholesale Grocers' Association.

(CONTINUED ON NEXT PAGE)

LIFE COMPANIES SHOW HANDSOME INCREASES

FIGURES FROM STATEMENTS

Main Items From the Financial Exhibits Reveal a Very Healthy Condition in the Business

The Great West Life of Winnipeg in its new annual statement shows new business \$72,205,135, increase \$680,778; insurance in force, \$453,758,333, increase \$36,055,175; assets \$83,520,346, increase \$10,343,376; surplus, \$3,153,080, increase \$351,508. The surplus earned in 1926 was \$4,086,872, the largest in the company's history. Its income last year was \$21,812,121, increase \$2,333,326. The Great West Life is one of the leading Canadian companies that is making splendid headway in the states it is operating in in the United States.

Provident Life & Accident

The Provident Life & Accident of Chattanooga in its annual statement shows assets \$3,381,090, policyholders' surplus \$850,000, premium income \$4,003,946, gain \$872,112, insurance in force \$27,638,891, gain \$2,853,929. Its increase in assets was \$640,616. It paid in claims last year \$1,710,799. It has paid since organization \$9,267,297 in losses. The company is making splendid progress in all its departments. This year it passed the \$4,000,000 mark in premium income.

Pacific Mutual Life

The Pacific Mutual Life shows assets \$117,113,076, capital \$3,000,000, dividend surplus, \$4,632,413, net surplus, \$5,429,134, new business \$94,427,632, insurance in force, \$628,535,911, gain \$42,286,164; income \$34,831,844, gain \$2,349,447. The gain in net surplus is \$942,083. The assets gained \$12,660,413. The accident premium income was \$5,757,295, gain \$406,993. The average rate of interest earned was 6.58 percent. The mortality ratio was 43.6 percent. The company makes a splendid showing.

West Coast Life

The West Coast Life continued during 1926 the rapid rate of growth established in recent years. The new paid business was \$25,721,281, which is the largest amount in the history of the company. Illustrating the growth the new paid business was \$823,615 more than 1925, more than twice the paid of 1922 and more than three times that of 1921. The business in force increased during 1926 \$10,355,275, representing 11.7 percent for the year. The total in force at the end of 1926 was \$99,115,621, which is over twice the business in force at the end of 1921 showing that the company has more than doubled its business in five years. The assets increased \$1,523,979, representing an increase for the year of over 12 percent. The assets have also more than doubled in the last five years. The unassigned surplus is now \$726,157, and the total surplus to policyholders which includes capital and unassigned surplus and that assigned for policy dividends amounted to \$1,773,556, showing an increase for the year of \$98,437.

PROSPERITY OF MASSES IS A BUSINESS ASSET

(CONT'D FROM PRECEDING PAGE)

tion; retail distribution by E. F. Wiebolt of W. A. Wiebolt & Co.; the banks by Vice-president Chester D. Masters, Chicago Trust Company; machine tool industry by General Manager E. F. DuBrul, National Machine Tool Builders' Association; and style goods and textiles by President Edward Freschl, Hosiery Company. Dr. Fred E. Clark of Northwestern University, an eminent economist, will summarize and conclude the discussion.

OUSTED FROM PRAIRIE LIFE, BLACKBURN SUES

"CONSPIRACY" CHARGE MADE

Displaced as Vice-President and Counsel, He Seeks to Enforce Carrying Out of Trust Agreement

OMAHA, Feb. 10.—Thomas W. Blackburn, former secretary and general counsel of the American Life Convention, has filed suit in district court against other officers of the Prairie Life of this city, charging a conspiracy to eliminate him from a voice in company affairs and to impair his interests in the company, in violation of a trust agreement of Feb. 2, 1921.

Dr. William R. McGrew, president and general manager; Dr. Oscar F. Peebler, vice-president and medical director, and William C. Donaho, Keosauqua, Ia., vice-president, are named as defendants. Mr. Blackburn is alleged to have been displaced at a meeting Jan. 26 as vice-president and counsel. He says he owns one-eighth of the stock.

Trust Agreement Cited

Mr. Blackburn alleges that under the trust agreement he, Mr. McGrew and the late M. W. Thornburg created a trust open to all stockholders, for maintaining control of affairs as a defense against stock manipulations, and to create a \$150,000 surplus which was to be added to an original capital stock of \$100,000. The trust could be abrogated on the anniversary of the agreement on consent of holders of 75 per cent of the stock.

On March 10, 1926, while he was in Europe, he charges, a meeting was called at which Dr. McGrew's brother, H. L. McGrew, withdrew from the company, and his business partner, Dr. Peebler, who previously had no stock in the company, was enabled to purchase stock and to become a director, and that Roy D. Hart was elected secretary and also allowed to purchase stock.

Claims Right to Buy Stock

An agreement had existed, the plaintiff alleges, by which he had the right to buy one-fourth of any stock which could be purchased at any time, but this agreement was ignored. His name was then eliminated from advertising and literature, he says.

Mr. Donaho was elected vice-president to succeed Mr. Blackburn, and Dr. Peebler was elected vice-president to succeed L. R. Thornburg, and the selection of a counsel for the ensuing year was passed over, at a meeting Feb. 2, 1927, ignoring the plaintiff, who is the second largest stockholder, he alleges.

A temporary restraining order was signed by District Judge Fitzgerald pending hearing in the case. Mr. Blackburn asked an injunction against the meeting last week, cooperation by defendants in maintaining the trust agreement, and an injunction against attempts to eliminate him from affairs of the company.

President McGrew's Comment

"The trust agreement allows a move for its abrogation on consent of stockholders of 75 percent of the stock," comments Dr. McGrew. "We have consent of 82 per cent of the stock. There is harmony in the company except for the one man. He is fighting his elimination. We merely believe him to be too obstructive for the growth and prosperity of the company. That is why he was not reelected."

Sales School in Indianapolis

A sales school will be conducted in Indianapolis by the John Hancock Mutual Life April 4-16, under the direction of George A. Adsit of the company's educational department.

CONNECTICUT GENERAL PROMOTES JOHN M. LAIRD

WALTER KING IS ADVANCED

Former Is Elected Third Vice-President and the Latter Secretary of the Company

HARTFORD, Feb. 10.—John M. Laird has been elected third vice-president of the Connecticut General Life. Walter I. King formerly secretary of the group department is elected secretary. Mr. Laird was born in Bayfield, Ont., February 20, 1885. He graduated from the University of Toronto and after a few years with the London Life of London, Can., joined the actuarial



JOHN M. LAIRD
Elected Third Vice-President of the Connecticut General

department of the Connecticut General in 1910. He was elected assistant actuary in 1913, actuary in 1917, secretary in 1924. He is editor of the magazine "Transactions" issued by the Actuarial Society of America.

Mr. King graduated from Yale in 1904 and then entered the actuarial department of the Travelers. Later he was appointed actuary of the Columbian National Life of Boston. He resigned in 1918 to join the group department of the Connecticut General.

Shaw Locates in Chicago

Eldon R. Shaw, agency supervisor for the Girard Life, is locating in the company's Chicago general agency in the Republic building, in order that he may be in closer touch with the western territory. The Girard Life is now entered in Ohio, Michigan, Illinois, Missouri and Iowa, as far as the west is concerned. Mr. Shaw will give his attention to these five states. It is likely that two or three additional general agencies will be appointed in Chicago. It is the intention of the company to organize the western states more carefully.

Canadian Production Figures

Sales of ordinary life insurance in Canada in 1926 exceeded all previous records, with \$471,649,000 for the year, an increase of 11 percent over 1925, it is declared in a report received at the Department of Commerce in Washington from Assistant Trade Commissioner Richards at Toronto.

Sales in December amounted to \$47,366,000, an increase of 6 percent over June, which had held the previous high record, and an increase of 13 percent over December, 1925. All provinces shared in the 11 percent increase, Saskatchewan leading with a 22 percent gain over 1925, and Quebec following with a 17 percent gain.

SENATE PASSES DISTRICT OF COLUMBIA LIFE CODE

HAS GOOD CHANCE IN HOUSE

No Opposition Since Measure Was Separated from Fire Code—Is Not "Model" Legislation

WASHINGTON, Feb. 10.—A code of law covering legal reserve life insurance business in the District of Columbia, introduced by Senator Sackett of Kentucky at the last session, was passed by the Senate Feb. 2 and has gone to the House, where an effort will be made to secure consideration before adjournment of the session.

Consideration of the bill was sought by Senator Sackett in order that the legislation might have a change of enactment this session. It was pointed out to the Senate that the measure is much desired by the local life companies operating in the District and by the commissioner of insurance, because of the fact that the District laws on the subject of life insurance are antiquated and a great deal of trouble can come to life insurance policyholders.

Separated From Fire Code

It was originally proposed to have a code which would cover all insurance, and a number of hearings were held by the District of Columbia committee on the subject. There was so much objection to the fire code as proposed and to the other codes, however, that the Sackett bill, which is similar to the codes of most of the states in its provisions, was separated from the rest of the insurance codes. No real objections to the bill were raised from any quarter.

The bill was passed without any debate and with no opposition. It was stressed that the measure is not "model" legislation, but merely an attempt to bring the legislation in the District up to a point where it will approximate the best legislative practices and procedure elsewhere in the insurance business.

What New Bill Provides

The Sackett bill provides for licensing of all companies, agents, solicitors or brokers engaging in the business of legal reserve life insurance in the District of Columbia; vests powers of examination of companies in the superintendent of insurance; provides for deposits with the superintendent to protect policyholders; provides for taxation of the companies; prescribes qualifications for agents, solicitors and brokers, requiring bonds for protection of the public, making agents liable on unlawful contracts, and providing for suspension and revocation of licenses in cases of misconduct, with provision for court review; prescribes and regulates amount of reserves, requires annual statements, regulates valuation of securities, requires standard policy provisions; prohibits misrepresentations, rebates and improper commissions, defines rights of beneficiary, prescribes penalties for embezzlement and false statements; prescribes method and form of organization, regulates investments, limits real estate holdings, provides dividend restrictions, regulates reinsurance, etc., and provides for licensing of foreign and alien companies.

Some Activities Exempt

The activities of fraternal beneficial associations, government employees' associations, other employees' associations, the Veterans' Bureau and life insurance organizations not operating on the legal reserve plan are exempt from the provisions of the bill.

Missouri State Women Leaders

The Missouri State Life announces that Mrs. J. Laine Carpenter of the Macconel agency in Honolulu was the leading woman producer of the company in paid for life in 1926. Mrs. W. E. Gannon, Tucson, Ariz., was the second woman producer for 1926 for the Missouri State Life.

WELFARE DIVISION HAS BEEN OF GREAT VALUE

President Haley Fiske Tells of Metropolitan's Health Work

HAS REDUCED MORTALITY

Expenditures for Humanitarian Purposes Have Constituted a Profitable Investment from the Start

At the recent managers' convention of the Metropolitan Life, President Haley Fiske announced that the death rate last year among the company's industrial policyholders was 8.33 per 1,000, or 29.5 percent below the 1911 rate. In 1926 the company paid industrial claims amounting to \$43,300,000, which was \$18,120,000 less than if the 1911 rate had prevailed. Between 1911 and 1925 the expectation of life among industrial policyholders was extended 8.88 years as compared with only 5.16 for the general population. In 1911 the death rate among industrial policyholders was 24.3 percent above that for the registration states, while in 1925 it was actually 1.3 percent below it. In other words, the Metropolitan death rate during the period declined 32.5 percent as against 15 percent for the general population.

Great Savings in Mortality

The cumulative savings among policyholders during the entire period 1911-1925, over and above the savings expected from a general declining mortality, amounted to some 250,000 lives and death claims of more than \$53,000,000. President Fiske declared that no small part of this tremendous saving could be attributed to the magnificent work of the welfare division.

"The tuberculosis death rate among industrial policyholders for 1926 was 55.8 percent below the figure for 1911," he said, "and the decline for the period 1911 to 1925 shows a reduction of 56 percent, while the reduction in the registration states was 45 percent. Diphtheria claimed only 9.5 per 100,000 policyholders and showed a decline of 6.9 percent from the rate for 1925 and of 65.2 from the 1911 rate. The death rate for other diseases of childhood also declined."

Maintains Sanatorium

In conclusion President Fiske paid high tribute to Dr. William H. Ordway, assistant medical director and physician in charge of the company's sanatorium, which was established in 1913 at Mount McGregor, New York, for the Metropolitan's employees. Since its founding, more than 4,000 employees have received treatment, and the great majority of them have recovered their health and resumed service with the company. The sanatorium now consists of about 25 buildings, including the Hegeman Memorial Laboratory built in 1922 from funds left for that purpose by former President John R. Hegeman. In addition to the care of patients and the researches carried on into the nature and cure of tuberculosis and other diseases, the sanatorium staff renders valuable service to physicians and welfare agencies throughout the territory adjacent to the institution.

Is a Good Investment

Dr. Lee K. Frankel, vice-president in charge of the welfare division, which was founded, organized and developed largely through his efforts, added many interesting sidelights on the work being done in the company's nursing and hospital centers throughout this country and Canada. He stated that the cost of the welfare division last year was ap-

FINAL DECISION SOON ON MODERN WOODMEN

INJUNCTION MEASURE IS UP

Pennsylvania Insurance Commissioner Contends that This Fraternal is 55 Percent Solvent at This Time

HARRISBURG, PA., Feb. 10.—The injunction suit brought by the Modern Woodmen of America against the Pennsylvania insurance commissioner to restrain him from revoking its license will probably come up for a hearing some time this month. Former Insurance Commissioner Barford made an investigation of the Modern Woodmen of America and the result of his investigation, according to report he made was that it was 55 percent solvent. A hearing was given the fraternal and it was shown the result of this investigation. The Pennsylvania department plainly told the Modern Woodmen that its rates were not adequate to accumulate a fund sufficient to meet its obligations in the future. The officials were ordered to increase the rates and get on a solvent basis. The Pennsylvania department stated that they refused to do this. As a result the insurance commissioner revoked its license. It then appealed to the Dauphin county court to restrain the commissioner from revoking its license. The restraining order was issued temporarily and the final decision will come up soon.

proximately \$4,380,000, representing 1.7 percent of the total premiums paid, or less than 2 cents per premium dollar. As a result of this expenditure of 2 cents out of every premium dollar, the company's savings in mortality claims last year alone amounted to almost \$18,120,000, leaving a net gain of \$13,740,000 attributable to the work of the welfare service. Quite apart from the invaluable work of the division which can never be fully measured in dollars and cents, the welfare service proved itself a matter of good business from its very inception, a saving of some \$16,000 being recorded for 1911. Announcement was made that the company is now engaged on a statistical study to determine exactly the actual improvement in mortality due to the nursing service.

Pamphlets Are in Demand

Dr. Frankel also spoke of the hundreds of millions of pamphlets on all problems of personal health and hygiene and related subjects, which the company distributes gratis throughout the country each year. The welfare division has just prepared a new booklet, "Educating for a Longer Life," which is already in great demand. Figures show, he said, that the nursing service handles more cases from among intermediate policyholders and their families than from any other class, a fact indicating that people above the poverty line are more and more taking advantage of the facilities provided by the welfare division.

Possibilities in Health Education

Speaking of public health in general, Dr. Frankel declared that if the present knowledge of preventive medicine could be taught even in some rough way to the population at large, the average life expectancy might be increased to 65 years. Along with other agencies the Metropolitan is cooperating with New York State health authorities to carry out their slogan, "no diphtheria by 1930," an accomplishment quite within the realm of possibility. Dr. Frankel concluded by predicting that within the next decade modern medicine would have control over such dread afflictions as heart disease, cancer, pneumonia and others.

Stimulates Production

Although it was not intended to stimulate production in any direct, or even

RESEARCH BUREAU HAS HOUSE ORGAN REPORT

GIVES ESTIMATE OF VALUE

Has Completed a Study of These Publications and Analyzes the Purposes and Results Achieved

The Life Insurance Sales Research Bureau has just completed a study of house organs published by life companies. Its 52-page report analyzes the purpose and value of such publications and describes the experiences and practices of nearly 100 companies. The opinions and facts secured personally from many editors well-known in insurance circles are supplemented by figures gathered by means of a questionnaire.

The bureau has divided its report into two main parts covering house organs sent to the agency field forces and house organs sent to policyholders. It was discovered in this connection that the former outnumber the latter almost three to one. The purpose, value, editorial personnel, content, physical make-up and handling, and cost are discussed from the point of view of the actual conditions surrounding the publication of house organs in all of the companies covered by the investigation. The report further suggests established methods that have been successfully used in many cases and can be applied to individual publications.

Detailed tables are given in the appendix showing the practices of the individual companies and furnishing a measuring stick by which editors can compare their own publications with those of their competitors. The identity of each reporting company is, of course, kept secret.

The Bureau as a corollary to this study is now preparing to assist in the application of the ideas expressed in the report to the individual conditions and requirements of its member companies.

indirect way, significant comments upon the welfare division's help in that regard were made by Vice-President Ernest H. Wilkes in charge of the Pacific Coast, who cited figures from his territory to show the remarkable results that might be obtained in canvassing prospects and reducing death claims by a liberal but judicious distribution of the literature prepared and published by the welfare division.

U. C. Upjohn Resigns

U. C. Upjohn, who served as assistant general agent of the Union Central Life in Chicago under the late E. A. Ferguson, general agent, has resigned. Mr. Upjohn has not announced his plans for the future. He had charge of the office during the continued illness of Mr. Ferguson and kept the office in tip-top shape.

Mr. Upjohn intends to devote all his time to selling annuities. He has given considerable thought and attention to this subject. He has sold a number of annuities heretofore and believes that there is a fertile field for some specialists on this class. For the time being he will have no Chicago office but will have his headquarters at his home in Brookfield, Ill.

Union Central Mortality Improved

Mortality experienced by the Union Central Life of Cincinnati in 1926 was distinctly favorable, Medical Director William Muhlberg reports. The actual to the expected mortality for the year was 52.15 percent, which was 0.74 percent less than that experienced in 1925. "This is quite satisfactory, especially in view of the census bureau's reporting an increased mortality in the registration area of about 2 percent, as compared with 1925," Dr. Muhlberg said.

SUITS IN FOUR COURTS COMPLICATE THE MELEE

Central Life of Iowa Feud Becomes More Involved

INJUNCTIONS ABUNDANT

General Agents' Association Retains Counsel and Enlarges Arbitration Committee from Five to Ten

DES MOINES, Feb. 9.—Additional court actions have further complicated the contest over the control of the Central Life of Iowa. Suit was filed in Judge Thompson's court Friday to test the legality of the meeting of policyholders Jan. 18 at which time O. C. Miller, president, and Fred Carr, vice-president and counsellor, were de-throned. Judge Thompson, who presides over the law court, granted a temporary injunction restraining Mr. Denny, Mr. Havner and their associates from interfering in any way with Mr. Miller, Mr. Carr and the old board of directors. This injunction is practically a duplicate of the one granted by District Judge Franklin in equity court last week. Judge Thompson's action was based upon quo warranto proceedings as recommended by Judge Franklin in his disposition of an injunction case the previous week. His court is that of equity.

Four Suits Are Involved

Four suits are involved in as many different courts, the federal court, the district court of equity, the district court of law and the state supreme court to which the Denny-Havner faction appealed the first of the week. This last tribunal acted upon the case Friday and granted in part and denied in part the prayer of the Denny-Havner faction in their petition for a writ of certiorari. Mr. Havner and Mr. Denny challenge the jurisdiction of Judge Franklin's equity court in granting a temporary injunction which left Mr. Miller and Mr. Carr in control of the company pending the outcome of a quo warranto action.

Will Review All Evidence

The supreme court issued the writ of certiorari which is returnable March 3. Soon after that time the supreme court will review all the evidence offered in Judge Franklin's court and pass upon the issues involved. The supreme court also removed the injunction granted by Judge Franklin restraining the Havner-Denny directors from acting as directors of the Central Life. The effect of this is to permit T. C. Denny, H. M. Havner, D. P. Smith, Alice H. Peak, Fred G. Wolfinger, R. Z. Staudt, J. F. Branton, Ivan Hasbrouck, W. C. Irwin and George M. Buck to act as directors of the company without committing a contempt of Judge Franklin's court. However, the supreme court did not decide that the person above named are actually members of the board of directors of the company. The prayers of Mr. Havner and Mr. Denny that the injunction restraining them from interfering with Mr. Miller and Mr. Carr as president and vice-president and general counsel of the Central Life were not heeded by the supreme court.

The presence in the city of 51 agents of the company, convened from 22 states, and all enthusiastic supporters of the Denny-Havner faction, is said to have precipitated the latest move by the Miller-Carr interests. In the interest of peace Mr. Havner offered to withdraw if such would further Mr. Denny's cause.

Judge Thompson's order provides five

days time in which the outs may file a motion for dismissal of the restraining order and thus obtain a hearing on this portion of the suit.

Proceedings in Law Division

Statutory provision is made for quo warranto proceedings to be brought by the state and prosecuted by the county attorney. Carl Missildine, county attorney, declined to take the case for the state and Judge Thompson granted permission for the action to be brought by Mr. Carr. In addition to Mr. Havner and Mr. Denny, the action names George M. Buck, claimant to the title of secretary, Ivan Hasbrouck, F. C. Wolfinger, J. F. Brenton, Mrs. Alice H. Peak, R. Z. Staudt and W. C. Irwin, claimants to directorships of the board. The proceedings were brought in the law division and should properly come up for hearing during the March term of court.

General Agents Retain Counsel

Claiming a victory was scored by the Denny-Havner faction in the supreme court's decision, Friday, the Central Life General Agents' Association, representing policyholders of the company, has retained Charles W. Lyon as counsel and increased the arbitration committee from five to ten. The new committee will continue in session until settlement of the controversy is definitely reached.

EQUITABLE OF NEW YORK IN AGENCY CONVENTION

(CONTINUED FROM PAGE 3)

said the company can offer employers group insurance at a very low net cost.

Vice-President Parkinson, commenting on the general satisfaction of the agents with Superintendent Beha's recent ruling prohibiting rebates of commission on large group cases, said that the Equitable would never have accomplished what it has in the past and could not hope to do what it proposes in the future if it were not for the agents who render invaluable and indispensable service as teachers, missionaries and points of contact.

Other Speakers

Other speakers during the day were Secretary William Alexander, Vice-President Stevenson, Superintendents M. Lee Alberts of Chicago, F. A. McCartney, St. Paul, and E. D. White, San Francisco, who presented Vice-President Graham with four new group cases from the Pacific Coast. Frank L. Jones, general agent at Indianapolis and former president of the National Association of Life Underwriters, said that group in-

surance should be sold employers by presenting three ideas: First, by group insurance employers can do something to better industrial relations that cannot be done as well in any other way. Second, they can do something for their employees which the latter cannot do for themselves, viz., insure them at small cost regardless of health impairments or occupational hazards. Third, group insurance can be used as a great cooperative instrument by which employees can do for themselves as a group what they cannot do for themselves as individuals.

In closing Vice-President Graham announced that the company has just prepared a group sales kit, the tools in which are expected to greatly increase the group production of all agents.

Sales Promotion Plans

At the final session today Vice-President Stevenson outlined the company's sales promotion plans for the coming year. As in the past its slogan will be "Underwriting American Values." The plans propounded are such as will present the various kinds of policies to policyholders to show them how each serves particular and definite needs and purposes. Emphasizing the individualization of life insurance, Dr. Stevenson announced that each month of the coming year will be devoted to a particular sales campaign.

Campaigns by Months

January was thrift month and this month special attention is being given retirement annuities and guaranteed investment policies. Next month is decision month to overcome procrastination. April is President Day month and May is memorial month. Estate conservation and protection insurance for women, business insurance and educational insurance will be concentrated upon in succeeding months. Dr. Stevenson also announced that the company has prepared a new series of personalized letters and much new material on retirement annuities and insurance for farmers.

Beha Was Present

After a few congratulatory remarks by Superintendent Beha who said he spoke as a fellow insurance worker and a fellow policyholder in the Equitable, Vice-President Davis closed the convention after announcing that in the future all managers must qualify for their responsibilities by being graduates both of the field school and the correspondence course.

The annual conference of the John Hancock Mutual Life general agents will be held at the home office next week.

TRAVELERS ANNOUNCES ADVANCEMENT OF EIGHT

Gordon V. Kuehner Takes Office as the Assistant Superintendent of Agencies

ALL MERIT RECOGNITION

Number of Promotions Have Been Made by the Company in Its Life Department

Gordon V. Kuehner, who was formerly associate manager of the Chicago agency of the Travelers, and who recently was made assistant superintendent of agencies for the life and accident department, is in Chicago this week attending an agency meeting. He also attended a similar meeting in Milwaukee. He will be in Chicago for a week. John H. Eglof, who has been promoted to supervisor of the agency field service in the casualty lines at the home office, and Joseph F. Murtaugh, who has been made assistant supervisor of the agency field service for the casualty lines, accompanied him.

Daniel J. Bloxham has been appointed supervisor of agency field service for the life and accident department. John W. DeForest has been made an assistant superintendent of agencies in the same department. James S. Reber, Jr., and Floyd E. Moss have been appointed agency assistants and Glenn H. Knigge is made group supervisor.

Mr. DeForest started with the Travelers as an agent in the Chicago office, Dec. 1, 1920, and was transferred to the home office in April, 1922. Mr. Knigge joined the Travelers in Chicago in 1924 and went with the home office agency department in June, 1926. Mr. Reber received his first training in the Kansas City office. Mr. Moss worked in Chicago as a salesman for a roofing concern and joined the Travelers staff at Des Moines in 1920.

Mr. Bloxham's Career

All of the eight men have served in the ranks of Travelers employees for some years. Mr. Bloxham began his service with the Travelers as contract agent at Ovid, N. Y. in 1914 and was soon appointed special agent. A year later he was transferred to Erie where he took charge of the branch office under the title of supervising special agent and

was appointed manager of that branch on June 1, 1917. Taking a leave of absence on July 1, 1918, he went into Y. M. C. A. war work and on his return he became an agency instructor for the life, accident and group departments in the department of instruction and training at the home office.

Many of the present managers, assistant managers and field assistants of the travelers received their home office training under Mr. Bloxham. To the work of instruction, Mr. Bloxham brought not only his wide insurance experience but a college education, three years of post graduate work and experience as a high school principal. On April 1, 1924, Mr. Bloxham was promoted to assistant superintendent of agencies, life accident and group departments.

Is Former School Man

Mr. Eglof joined the Travelers in 1919 as special agent in the Albany branch office after having been a member of the faculty of Rensselaer Polytechnic Institute of Troy, N. Y. for a period of ten years. He was graduated from that school as a civil engineer in 1909 and was immediately appointed instructor of mathematics and surveying. In connection with his technical duties he had practical experience as an assistant engineer of the water-works department of the city of Troy. Mr. Eglof's work in the insurance profession was unusually successful and he was soon promoted to assistant manager of the Albany branch office and in 1921 was brought to the home office as assistant agency instructor, casualty lines in the department of instruction and training. He was made instructor in 1923 and in October, 1925, became agency assistant with educational duties throughout the field. Mr. Eglof is admirably qualified to fill his new post and to extend the educational work he has been doing.

Mr. DeForest joined the Travelers as a special agent in the Chicago branch office on Dec. 1, 1920 and on April 1, 1922, he went to the home office agency department. His duties in connection with various branches in the north central states and in the central provinces of Canada will continue as in the past. Mr. DeForest is a Canadian by birth, receiving his education at Cornell University, and his first business training was in the concrete pile business. In 1918 and 1919 he served with the British army.

Kuehner Native of Canada

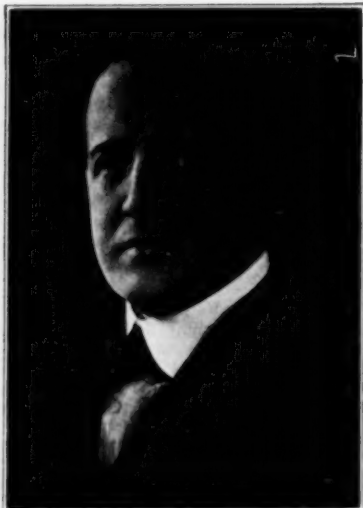
Mr. Kuehner was born in Waterloo, Canada, and after being graduated from high school entered the services of the Canadian Pacific Railway Company, Western Canada, and a few years later went to Mexico as a paymaster. When

(CONTINUED ON PAGE 38)

PROMINENT IN EQUITABLE LIFE OF NEW YORK AGENCY CONVENTION



FRANK H. DAVIS
Agency Vice-President



W. J. GRAHAM
Second Vice-President



JOHN A. STEVENSON
Second Vice-President



W. G. FITTING
Agency Superintendent

GIVE RECOMMENDATIONS ON OLD AGE PENSIONS

Industrial Welfare Department of
National Civic Federation
Offers Advice

EXPERTS DRAW UP PLANS

Valuable Study of Retirement Problem
Is Prepared by Committee of
Noted Specialists

NEW YORK, Feb. 9.—The industrial welfare department of the National Civic Federation, of which the honorary president is Elihu Root and the acting president Matthew Woll, vice-president of the American Federation of Labor and president of the new Union Labor Life, has just published a new series of recommendations on old age annuities and funded pension plans drawn up by an expert committee composed of Vice-President William J. Graham of the Equitable Life of New York; Vice-President James E. Kavanagh of the Metropolitan Life; Arthur Williams, New York Edison Company; Frank V. Whiting, New York Central Lines; James W. Sullivan, labor, and P. Tecumseh Sherman, attorney and chairman of the committee.

Acknowledge Indebtedness

These new recommendations to industrial establishments for the study and formulation of funded pension plans start with the recommendation that these establishments should first acknowledge an indebtedness for pensions voluntarily granted to retired employees. They then advise the working out of a satisfactory plan of retirement annuities for future service upon a contributory basis.

"The final outcome of the litigation by the former employees of Morris & Co., Chicago, who, supposed to be insured, now find themselves without provision for old age, emphasizes the importance of sound principles in retirement plans," reads the federation's announcement. "And the recent collapse of the Argentine national pension law, necessitating the return of 27,000,000 pesos to contributors, employees and workers, emphasizes the imprudence of looking to state action for provision for old age and the need that industry broadly should assume the burden of providing for its own."

After outlining different systems of contributory plans, with tabular statements indicating rates of contributions and of annuities earned thereby, the report of the experts' committee then considers provisions for dependents, disability benefits and options, the problem of "drifters" and the peculiar difficulties of providing for older workers. Finally, attention is directed to security of the funds.

"While it is practicable for large industrial establishments, under competent actuarial advice, to maintain their own trusted pension or retirement funds," reads the report on this point, "it is recommended that annuities in general be secured to employees by contract with some form of corporation organized under the insurance laws and operating under strict public regulation and supervision."

Patterson Is Field Supervisor

E. T. Patterson, who was formerly connected with a life insurance agency at Wichita, Kan., has been appointed field supervisor for the life department of the Provident Life & Accident with headquarters at Chattanooga. Mr. Patterson has had a number of years' experience in sales work and agency development.

ILLINOIS LIFE INSURANCE CO.

CHICAGO

JAMES W. STEVENS, Founder

The Ideal Agency Officer

THE ideal agency officer is one who knows his company from the ground up—thoroughly knows and has confidence in his superior and fellow officers, and having this information and this intimate acquaintance is willing to stand by that company and those officers just as loyally and steadfastly as though he himself was personally and solely responsible for every existing condition and every action taken.

He must be a sincere man, a man who in his dealings with agents has the ring of sincerity and fair dealing, showing equal favor to all and unequal opportunities to none.

He must be deeply appreciative of the difficulties which confront the man behind the rate-book, and from the well of his own practical experience and knowledge be able to counsel wisely and advise intelligently on all the multitude of big and petty problems and disputes which are forever coming up in an active agency organization.

He must be a man of quick and positive decisions, and his oral promise once given must be as binding as though reduced to writing.

He must be intimately acquainted, but not grossly familiar, with his agents.

He must be big enough to frankly acknowledge such mistakes as he may make, to take upon his own shoulders a great part of the blame for an agent's lack of success, and so constituted temperamentally as to be burdened without irritation with the thousand and one little complaints and troubles of the men who compose the agency organization.

In brief, the successful head of an agency department is the "Little Father" of the organization, and upon his patience, forbearance and good counsel, and the degree of respect and confidence he enjoys of the men under him, depends the success and the strength of the producing force.

From address of R. W. STEVENS, President
Illinois Life Insurance Co., Before Life
Agency Officers Association, Chicago
November, 1925.

Illinois Life Insurance Co.

CHICAGO

James W. Stevens, Founder

Greatest Illinois Company

1212 LAKE SHORE DRIVE

The Illinois Life is The Dean of the Illinois Legal Reserve Companies

PUBLIC LIFE DISPUTE BROUGHT TO A CLOSE

PRESIDENT E. BURKE RESIGNS

Alfred Clover Faction Again Gains Control When Rival Factions Agree to Cooperate

The Alfred Clover faction is again in control of the Public Life of Chicago. President Edward H. Burke resigned Feb. 5 and on Feb. 7 the board of directors elected new officers. Robert Crandall was elected president. He operates a garage in Oak Park. William F. Schaare, chairman of the board, a practicing physician; William Ulrich, vice-president, wholesale meat business; C. A. Haines, medical director; Fred Welsch, secretary, real estate business. Alfred Clover, former chairman of the board, did not take active office but remains on the board of directors.

The Public Life stockholders have been divided into two factions and the control of the company has been under dispute. Both sides have agreed to bury the hatchet and support the new administration because they realize that the success of the Public Life depends on the cooperation of all interests.

Burke's Resignation Letter

The following letter which Mr. Burke, former president, sent to the board of directors explains the Public Life's financial situation:

"I wish to call your attention to several interesting points in the report of the examiners of the Illinois insurance department which report is about to be filed with the department at Springfield:

Date	Surplus	Impairment
Dec. 31, 1920.....	\$133,214	118,732
Dec. 31, 1921.....	406,088	273,012
Dec. 31, 1922.....	68,072	265,851
Dec. 31, 1923.....	\$ 62,340	

Date	Surplus	Impairment
Dec. 31, 1924.....		118,732
Dec. 31, 1925.....		273,012
June 30, 1926.....		265,851

Capital Improved Heavily in 1925

"From the above report of the state examiners it appears that the surplus of \$133,214 in 1920, \$406,088 in 1921 and \$68,072 in 1922 had entirely disappeared in 1923 when instead of a surplus being noted there was an impairment of capital of \$62,340. In 1924 there was an increase in the impairment of \$56,392, making the total impairment Dec. 31, 1924, \$118,732. During the year 1925 there was an increase in the impairment of \$154,279, bringing the total impairment up to \$273,012 on Dec. 31, 1925.

Burke's Management Brings Gain

"For the first six months of 1926, or up to June 30, 1926, under the present management, according to the state examiners' report, the impairment was reduced \$7,161. The company statement of Nov. 30, 1926, shows a further reduction for the five months of \$8,344. In other words, in 1926, for the first time since 1920 the company showed a gain rather than a deficit. Had the impairment continued to increase in the same ratio in 1926 as in previous years it is obvious that practically the entire capital would have been used up.

Reserve Increase \$53,757

"It is also interesting in this connection to note from the examiners' report that from Jan. 1, 1926, to June 30, 1926, a period of six months, the reserves increased \$53,757, and that many unusual items of expense were paid, including \$24,776 for death losses and disability claims, \$16,823 for legal expenses, \$5,300 for auditing expenses, \$6,596 for guards, \$14,700 for borrowed money repaid, \$7,500 payment on mortgage on the home office building.

Impairment Halted in 1926

"Had not the unusual and extraordinary payments been made the reduction in impairment would have been much

greater. It will be seen that the continued previous large increases in the impairment of capital were halted in 1926, a gain was effected and the foundation has been laid for the complete elimination of the impairment within a comparatively short time by careful and competent management.

Not Possible to Reduce Capital

"In the early part of 1926, through the operation of a proposed trust agreement, a reduction in the capital stock from \$500,000 to \$100,000 was contemplated, thereby creating a surplus which could have been used in the purchase of a considerable volume of new business. After the trust agreement was drawn by counsel, it was found to be in conflict with the Illinois statutes and therefore could not be carried out. For this reason the management was forced to curtail the production of new business until such time as the impairment could be made good in some manner.

"Until the impairment is made good you should not permit new business to be written to any extent as the acquisition cost and large increase in the reserves the second year will necessarily increase the impairment of capital, any statements by anyone to the contrary notwithstanding.

Offers Immediate Resignation

"As it is impossible for me to continue with the company in any capacity owing to irreconcilable differences of opinion among the directors representing the control of the company, I have sent my resignation as president, director and general manager to Vice-President Wm. F. Schaare, and I desire to advise you that under existing circumstances I am not a candidate for reelection to any office, at the same time I wish to express my appreciation to those who have co-operated with me in my sincere efforts to rehabilitate the company and eliminate the menace to its welfare and progress. My earnest wish is that both of these objectives may be accomplished."

ELECTION ISSUE UP IN THE ILLINOIS BANKERS

TWO FACTIONS CONTENDING

Contest Arises Over Election of Two Directors to Be Voted on at Annual Meeting

Representatives of the two factions on the board of directors of the Illinois Bankers Life were in Springfield, Ill., several days trying to agree on drafts of letters to be forwarded to policyholders so that they may know for whom and for what side they will sign proxies for the annual meeting March 8. The Illinois department of trade and commerce ruled that the list of policyholders shall be available to any candidate for the position of director.

The terms of two of the five directors expire, Medical Director J. R. Ebersole being one and Assistant Agency Superintendent A. T. Sawyer the other. To fill these positions both factions have candidates. The Illinois Bankers Life got into a mix-up when an effort was made to organize a legal reserve company and take over the assessment company. There were a number of law suits filed in the federal court and later in the state court. Finally, all hands agreed to drop the litigation inasmuch as there would be no further attempt to reinsure or reorganize.

Forms New Production Club

The Abraham Lincoln Life of Springfield, Ill., has organized a new production club for its agents, to be known as the "Rail Splitters Club." Agents can qualify through the production of life insurance, commercial accident or monthly premium accident business. The first convention of the club will be held in Chicago the latter part of August.

Service—Par Excellent



INTERNATIONAL LIFE INSURANCE COMPANY
St. Louis, Missouri

January 10th, 1927.

Mr. W. F. Grantges, Vice-President,
International Life Insurance Co.,
St. Louis, Mo.

Dear Mr. Grantges—

I just wanted to give you my
expressions of International service since I have
been with the Company.

As you probably know, the first
application written under me as General Agent was
dated October 21st; on January 8th we wrote our one
hundredth application, this business aggregating
\$304,000. During that period of time we have had
just two applications, which, in my opinion, is a
wonderful testimonial not only to the men in the
field who have produced this business, but also to
the home office.

Practically all of our business
has been received from the home office within two
days from the date of the application, and an old
date of this time is contained in the file, you can
readily appreciate the wonderful service we have
gotten from the home office.

As you know, I have been in the
life insurance business twelve years and as manager
of the life insurance department of a large St. Louis
Agency have represented nine companies; I must say
that none of them ever approached the service we
have received from the International.

Sincerely,
W. F. Grantges
General Agent

This letter, from one of wide insurance experience who recently came with the International Life as general agent, was prompted by the service rendered by this Company on business submitted.

It is concrete evidence of the results attained by the International Life in its effort to render the fieldmen the utmost in service.

This Company is constantly endeavoring to make the work of the men in the field more profitable and pleasant.

The increased dividends on participating policies together with the excellent line of non-participating policies furnishes our men with up-to-the-minute working tools.

*A Company Willing to Pay the Price
Required to Give Service*

INTERNATIONAL LIFE INSURANCE CO.

W. K. WHITFIELD, Pres.

DAVID W. HILL, Vice Pres.

W. F. GRANTGES, Vice Pres. and Gen'l Mgr. Agents

URGE SERVICE SALES INSTEAD OF NET COST

Some Officials and Managers See
Danger in Price Competition

PERMANENCY UNAFFECTED

Believe Business Is Not Thoroughly
Sold Unless Sold on the
Fundamentals

Agents are being urged quite generally by their home office officials to put life insurance competition on a service basis and not a cost basis. In recent years with increasingly reduced net costs and an increase in the number of companies who can go into the field with propositions that show an advantage in net costs, there has been a tendency on the part of agents to close many cases in competition with cost as the basic argument. Company officials point out, however, that this is detrimental to the business of the agent and also to the business as a whole.

Officials Give Views

Particularly interesting in this connection, in view of the fact that his company can meet other companies on a net cost basis, is the appeal of Vice-President C. A. Peterson of the Mutual Trust Life of Illinois for life underwriters to forget net cost in their presentation. It is frequently claimed that the objection to net cost competition comes largely from those com-

panies which cannot meet other companies on net cost and thus seek some sort of a defense. However, Mr. Peterson's company can meet net cost comparisons and thus his viewpoint is of particular interest. Mr. Peterson believes that salesmanship on the basis of net cost is not only a presentation of life insurance with a wrong viewpoint, but it is actually detrimental to the permanency of the agent's business. Mr. Peterson said that the agent who sells on this basis is simply opening his business to the attack of the twister. If the policyholder is sold on the basis of cost rather than service or the definite insurance need, he will always be susceptible to the cost argument and the next agent who comes along and shows a saving of 50 cents will be able to cancel the original policy and place a new one.

Tells of Personal Experience

Mr. Peterson, speaking from personal experience, said that he did not believe it was ever necessary to talk price. He had 16 years' field experience before he went to the home office and during his entire 16 years he never sold a policy on the basis of net cost. He used cost, of course, in the illustration of what the policyholder secured per dollar of investment, but never as a basis of competition. The comparison was rather on settlement provisions and such features. The last case Mr. Peterson wrote in the field before going to Chicago was a \$50,000 policy upon which his competitor had presented a sales approach on a net cost basis. Mr. Peterson went into the case, ignored this competition and sold the policy without consideration of cost. Mr. Peterson said he did not believe it was a mark of salesmanship to use cost in the sale. Anybody could sell a proposition if he positively had the same identical item at a lower cost. Salesmanship consists of furnishing something for the prospect's needs and furnishing an adequate and superior service in the transaction. Mr.

Peterson said that there was much more to life insurance than a dollar and cents proposition and that the agent should realize this before going into the field to sell the business to the public. The human factor which is more important than the economic factor should be the point emphasized by the agent.

Treading on Dangerous Ground

Another company official similarly stressed the value of getting away from net cost salesmanship, pointing out that as a matter of fact, the agent was treading on dangerous ground in such an approach. He pointed out that the companies are now enjoying and have enjoyed for a few years an unprecedented era of prosperity and net cost has become an apparent factor in the business. He said, however, that without reflecting any pessimism, he did not believe the companies could maintain the present dividend schedules and thus the agents who sold on the basis of net cost were exposing themselves and their companies to dangerous possibilities. He said that when any possible adjustment is effected and the cost takes an upward trend, the policyholder will not understand, if he has been sold on the basis of actual net costs. In other transactions costs maintain a fairly constant scale and thus if cost is brought into this transaction the same reaction is apt to be felt with the policyholder. This official also stressed the danger of which the agent is exposing himself by emphasizing the cost factor. He said that it is just such salesmanship that has developed the twister and these men are ever on the alert to steal away policyholders who look upon their life insurance policy on the dollar and cent basis.

Urges Cost Be Ignored

One prominent agency leader stated that he constantly urged his men to talk service or needs or any other phase he desired, provided cost was left out of the proposition. He said that person-

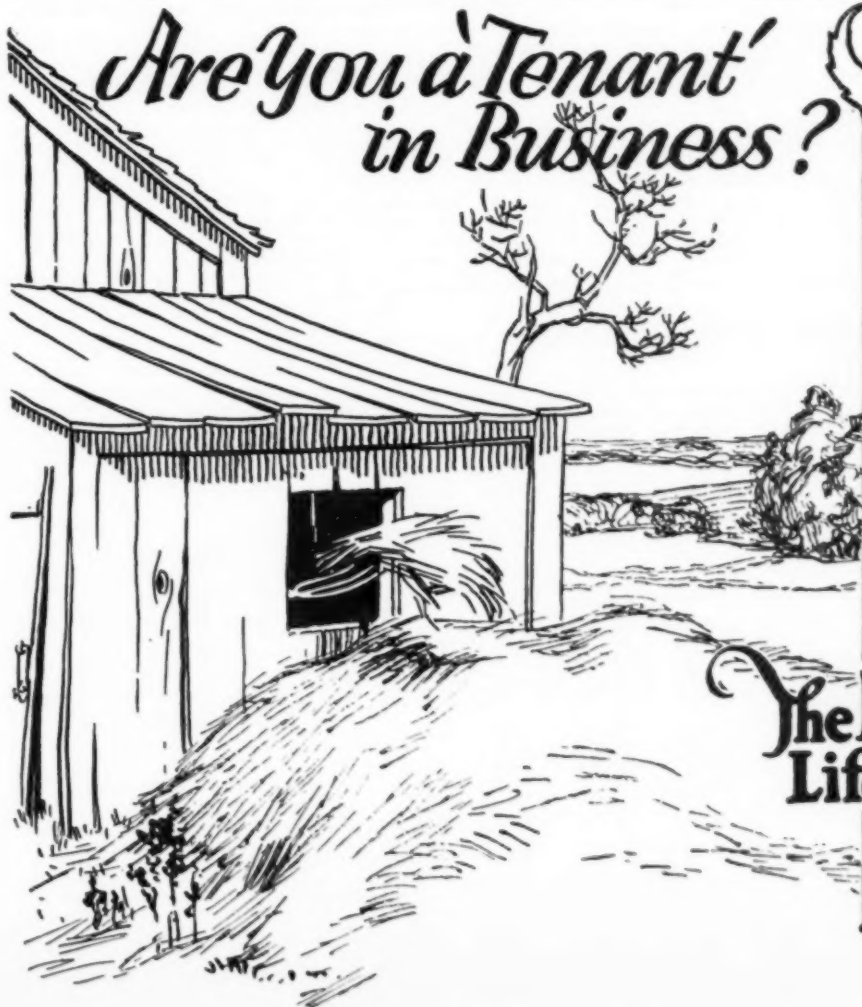
ally he did not believe in even mentioning the premium until the deal was actually consummated and, while he could not enforce this upon his men, he believed that it would prove the most profitable type of salesmanship. He gave as his reason the ease with which statistics can be used to tell any story. He said that he would feel himself unqualified to be in the life insurance business, if he could not take his own rate book and, given a little time, draw up a case which would meet with any case presented in competition and show a financial advantage. He said that practically every rate book carrier could do the same. If the business were developed extensively on a net cost basis, it would largely become a matter of competition to see who could be the cleverest at using statistics.

Personality Service Are Basic

Another field man said that he believed that salesmanship was purely a matter of personality and service and that no one could claim any degree of success until he had put his selling on that basis and not on the basis of net cost. He said that the net cost salesman is of the old type who was formerly launched into the field with no other instructions or knowledge than the rate book in one hand and the application in the other. It is the antiquated method of life insurance salesmanship and one which does not meet modern standards. He said that purely as a matter of selfish interest the agent should seek to get away from this manner of presentation, as there can be no permanency to the business so written. He said that the policyholder who has in mind a \$200 premium rather than a service proposition or a policy sold to meet some very specific needs, will be among the first to drop his policy in a time of financial stringency. He may be sold on the first premium, but when the renewal comes around and this premium again stares

(CONTINUED ON PAGE 22)

Are You a Tenant in Business?



Most tenants do not care to "build up" the soil as they are transient—

We work under the opposite principle we have you bank locally and we put that money back to "build up" the territory we serve.

Write for our cooperative plan.

The Farmers & Bankers Life Insurance Company

H. K. Lindsley
PRESIDENT

J. H. Stewart
VICE PRESIDENT

Frank B. Jacobshagen
SECRETARY

WICHITA, KANSAS

AETNA LIFE PRESENTS ITS ANNUAL STATEMENT

FINE PROGRESS IS REVEALED

Both Life and Casualty Departments
Recorded Very Satisfactory Under-
writing Results on the Whole

The annual statement of the Aetna Life shows that new paid business totaled \$966,792,044, or \$60,032,617 more than was placed on the books in 1925. With this addition, the total amount of life insurance in force was brought to \$2,931,020,467, or just a shade under the \$3,000,000,000 mark at the close of business Dec. 31. This is an increase of \$435,278,852 over the preceding year. Policies representing this amount of \$2,931,020,467 are held by more than 1,200,000 persons, divided into 506,600 holders of policies in the ordinary life department and 703,400 certificate holders in the group life department.

Income Shows Increase

The total income of the Aetna Life for the year was \$114,969,727. This figure, made up of \$93,363,014 in premiums and \$21,606,713 in interest, rents, etc., is \$16,458,441 greater than the 1925 total income, while the premium income alone is \$8,270,503 greater than that of the preceding year. Total assets have passed the \$300,000,000 mark by nearly \$500,000 and were increased by \$26,214,171 last year, while the capital and surplus to policyholders which last year were \$32,459,590 are now \$34,351,767, or \$1,892,177 greater than the combined capital and surplus for 1925. This of course includes the contributions to capital and surplus made by the stockholders in response to their decision last April to increase the capital from \$10,000,000 to \$15,000,000. Total disbursements for the year were \$97,942,136. In this figure, some of the principal items were: Death claims, \$21,908,815; matured endowments, \$3,181,698; death and indemnity (accident, health and liability), \$15,739,000; surrendered policies, \$5,680,000; dividends to participating policyholders, \$3,163,000; taxes, \$3,074,000.

In the casualty lines there has been an increase in practically all departments and the underwriting results on the whole are said to have been satisfactory. The reduction in operating expenses also has been extended to these departments.

CONNECTICUT GENERAL BIG PRODUCING AGENTS

J. L. HALL IS THE LEADER

Number of Salesmen Reach the High
Point in Amount of Business
for 1926

For the third consecutive year J. L. Hall of the Connecticut General Life, Burlington agency, wrote over \$1,000,000 in new life insurance during 1926. This amount included individual life insurance and salary savings insurance. About half of his business comes from people already insured with him. Mr. Hall celebrated his 30th anniversary with the Connecticut General Feb. 1.

Other agents who wrote over \$1,000,000 in 1926 are S. F. Smith of Cleveland, S. B. Lindsay of Buffalo (second consecutive year in the million dollar group) and C. S. Burke of Boston. Mr. Smith was the Connecticut General's 1926 leader in paid first premiums also.

The following agents wrote between \$500,000 and \$1,000,000: J. C. Gorton, D. T. Smith and P. G. Gorton of Hartford, J. M. Pasner of Stamford, R. S. Robbins of New York, D. A. Johnson of Detroit, R. H. Brown of Bridgeport, T. H. Jackson and A. K. Gibson of Philadelphia, M. A. DeWitt of Birmingham, A. M. Packer of Minneapolis, A. E. Stearn of New York and W. W. Garbrant of Newark.

Two New Assistant Actuaries

The Missouri State Life has appointed two new assistant actuaries, Ross E. Moyer and Otto J. Burian. Mr. Moyer was for some time with the Lincoln National Life and recently has been assistant actuary of the Columbian National Life. He graduated from the Iowa State University in 1923. Mr. Burian is advanced from his position as manager of the mathematical and change division in the actuarial department. He graduated in Washington University in 1920.

"Illinois Company" Day

The February meeting of the Chicago Association of Life Underwriters, which will be held next Thursday in the ballroom of the Hotel LaSalle, will be quite largely an "Illinois company" meeting. Emmet C. May, president of the Peoria Life, will be the speaker and officials of the other Illinois companies have been invited to be present.

NEW TRAVELERS UNIT HAS BEEN COMPLETED

FILLS OUT THE QUADRANGLE

Home Office of Great Company Now
Embraces 18 Acres of Floor
Space

The fourth and latest unit of the Travelers tower structure in Hartford, the home office of the Travelers companies, has just been completed with the construction of the nine-story building at Prospect and Grove streets, which perfects the architectural scheme of the quadrangular base from which the sheer and vast white cliff of the tower proper rises to a height of 527 feet—the tallest structure in New England.

It adds approximately 85,000 gross feet of space to the home office, which embraces more than eighteen acres. The new building stands upon the former site of the old Connecticut Fire, which was razed a year ago to make room for the latest Travelers unit, which cost approximately \$1,500,000.

New Unit Fireproof

Like the remainder of the Travelers structure the latest addition is designed in a free renaissance style and combines a consistent simplicity of scheme with dignity and coherence of expression in massive proportions and boldness of detail.

The unit is the latest word in fireproof construction, consisting of a framework of steel bearing an anchored covering of stone and brick. The exterior walls are of pink westerly granite from the Rhode Island quarries which were first developed by J. C. Batterson, the founder of the Travelers. The floors are of concrete and will be covered with linoleum as are the present home offices.

Writes Many Old Policyholders

Solid and satisfactory proof of the benefits of cultivating old policyholders is reported by the Union Central Life of Cincinnati, which announces that in 1926 its percentage of new insurance written on present clients was 42 percent. This was an increase of 3 percent over 1925, and the company believes that this gain was due in great part to the intensive efforts to increase its service to policyholders. The total amount of business written on old policyholders in 12 months was \$78,000,000.

HOLD AMERICAN LIFE REINSURANCE MEETING

AGENTS CONVENED IN DALLAS

J. B. Adoue, Banker and Insurance Director, Says Calamity Talk for Texas Is Unfounded

DALLAS, TEX., Feb. 10.—The annual agency meeting of the American Life Reinsurance was held here last week with agents from all sections of the state attending. President A. C. Bigger told of the company's plans for the present year and of the amount of business put on the books by the direct writing department the past year. He said the company's business in January was considerably more than that for the same month a year ago.

J. B. Adoue, one of the leading bankers of Texas, and a director in several Dallas insurance companies, discussed the outlook for the year. He told the agents and company officials the situation in Texas was not bad, despite the great howl about low cotton prices. He said the farmers have money and are out of debt, that they are prospects for insurance men to call on and that the insurance man who fails to call on them will miss writing some mighty good business.

Plenty of Money in State

The banker told the insurance men that while the cotton prices were lower than they had been for years, the actual amount of money in the state was a million more than it was last year. He said at the same time the farmers had produced feed and would not have to buy that item this year.

Mr. Adoue, a member of the cotton marketing body, said that while the organization had \$100,000,000 to loan on cotton to aid the farmers in holding the staple for a better price, and had been urging the farmers to take advantage of cheap money to hold cotton for months, only 100 bales of cotton had been offered the association, and that the association had expected to aid in holding 1,000,000 bales from the market.

"Hitting on All Six"

This, he said, showed the farmers were not in as bad shape as they had been pictured. He told the life insurance men bank clearings are holding up in Texas, that the banks have plenty of money and that individual deposits are the largest in the history of the state. He said all lines of business are hitting on all six and that there is no reason why more insurance should not be sold this year than last.

The banker said 40 banks have failed in Texas the past few months, but that their failure was not due so much to low prices of cotton as bad banking policies.

The agents were entertained with a banquet at the home office and with theater parties while they were in the city.

Celebrating "Ruby Jubilee"

In observance of its 40th anniversary, the Provident Life & Accident of Chattanooga is celebrating this year its "Ruby Jubilee." A premium income goal of \$4,500,000 has been set for the year. Last year the goal was set at \$3,500,000 and when the books were closed at the end of the year it was found that this had been passed by \$500,000.

Increase Was Over Stated

In the article concerning the convention of the Gem City Life of Dayton, O., in last week's issue of The National Underwriter, it was stated that the premium rate of the policy written by the Guaranty Liability of Dayton to protect credit accounts is increased 5 percent for each additional year or a fraction of a year beyond one year which may be given for liquidation of the debt. This was a typographical error. It should have read 0.5 percent instead of 5 percent.

FIGURES FROM DECEMBER 31, 1926 STATEMENTS LIFE COMPANIES

	Total Assets	Capital	Surplus	New Bus. 1926	Insur. in Force	Gain in Ins. in Force	Premium Income	Total Income	Pd. Policy-holders	Total Disburs.
Amer. Old Line, Neb.	579,654	100,000	51,320	6,498,000	13,827,257	-985,492	408,792	480,533	8,000	321,157
California State	10,220,766	500,000	538,516	14,785,170	69,346,729	4,032,482	2,137,480	3,001,495	631,485	1,836,469
Capitol, Colo.	8,590,292	250,000	658,538	11,417,597	92,176,969	23,139,147	2,032,310	2,816,192	1,225,051	2,221,916
Central Life, Ia.	23,224,251	.....	1,514,541	32,129,459	169,801,503	14,318,928	5,652,791	6,909,919	2,183,998	4,254,282
Conservative, W. Va.	4,466,946	325,000	286,519	4,496,323	36,218,747	2,383,660	1,093,648	1,339,473	328,425	763,687
Continental, Ill.	4,604,059	500,000	713,465	25,230,431	80,552,504	14,152,821	2,266,821	2,537,916	314,220	1,306,653
Des Moines L. & A., Ia.	3,894,887	600,000	218,773	5,612,368	29,155,507	1,501,252	788,793	1,021,740	511,904	908,194
Detroit Life	5,610,396	230,437	166,328	17,116,418	62,055,204	7,722,835	1,859,042	2,287,995	655,899	1,508,203
Equit. Sav. L. Kan.	282,724	200,000	76,767	1,444,796	1,444,796	1,444,796	37,318	42,914	.....	59,758
Fidelity Mut., Pa.	70,865,040	.....	4,002,667	55,058,944	343,055,376	24,724,352	12,306,411	16,668,419	8,043,257	11,689,636
Geo. Wash. W. Va.	4,432,510	250,000	60,000	.....	25,244,013	638,027	803,578	1,250,416	416,078	1,250,416
Jefferson Stan., N. C.	35,841,897	1,000,000	1,500,000	66,852,800	300,164,776	34,347,999	9,067,164	11,296,011	3,967,254	7,271,724
Metropolitan	2,108,094,385	.....	122,236,122	2,011,775,150	13,498,981,627	1,401,734,835	6,888,711	6,956,505	209,370,416	.....
Michigan Mutual	21,586,559	500,000	1,607,381	22,234,584	125,133,982	6,888,711	3,321,690	4,524,160	2,103,063	3,351,934
Midland Mutual, O.	13,036,597	300,000	426,375	15,876,237	84,447,962	9,971,435	2,734,543	3,498,861	884,502	1,709,984
Missouri State	70,554,896	2,000,000	2,768,875	179,411,951	670,919,561	83,333,053	17,697,127	22,986,252	8,139,872	14,670,557
Mountain States, Colo.	1,004,286	290,000	72,031	3,142,019	12,862,403	144,945	357,006	546,782	124,321	369,652
Mutual Benefit	451,468,284	.....	19,601,370	245,369,131	2,052,028,221	114,839,376	68,898,895	94,070,723	49,769,891	63,560,680
Mutual Life, N. Y.	798,152,133	.....	56,767,592	498,326,044	3,612,855,800	259,739,327	132,465,731	174,712,401	97,522,759	126,260,148
Mutual Trust, Ill.	17,575,714	.....	766,041	27,720,430	125,354,809	15,065,286	.....	5,376,570	.....	.....
New World, Wash.	7,133,144	1,134,500	682,407	9,656,108	40,728,429	3,493,118	1,314,992	1,784,844	453,895	1,134,212
Northw. L. & A., Wash.	163,814	116,100	45,551	349,000	349,000	349,000	8,036	67,805	.....	22,644
Old Line Life, Wis.	9,838,236	672,635	702,499	16,114,674	75,022,654	9,107,914	2,326,523	2,858,403	608,093	1,490,688
Pacific Mut., Cal.	117,113,076	2,000,000	8,429,134	91,872,983	628,535,911	42,284,164	21,520,911	28,394,448	10,951,724	17,688,261
Penn Mutual	339,245,365	.....	27,169,802	315,174,510	1,584,288,506	52,292,342	73,670,647	87,706,444	37,706,444	51,048,931
Philadelphia Life	11,748,816	560,320	335,961	13,717,834	76,471,048	4,279,211	2,161,044	3,201,458	1,910,926	2,954,357
Pilot, N. C.	9,931,761	1,000,000	432,336	23,967,067	80,904,526	8,775,029	2,604,256	3,170,568	1,209,317	2,387,129
Reins. of Amer., Ia.	1,816,384	500,000	500,000	24,454,232	57,465,739	9,823,734	500,997	574,753	267,553	445,519
Reserve Loan, Ind.	9,314,623	200,000	422,584	19,445,606	73,319,511	5,846,719	2,102,751	2,651,861	802,620	1,841,303
Security Mut., N. Y.	15,225,579	.....	532,781	25,563,432	100,475,857	13,145,611	3,287,046	4,155,576	1,809,166	3,315,679
Seaboard, Tex.	384,876	250,000	101,285	2,138,000	3,282,253	1,959,700	66,800	88,796	.....	53,272
Service, Neb.	52,657	159,755	52,023	4,269,406	13,995,865	596,773	632,058	212,124	475,454	.....
Southland, Tex.	12,369,199	400,000	411,241	27,255,044	112,826,322	2,852,789	4,019,610	1,004,075	2,737,117	.....
State, Ind.	38,406,732	.....	2,804,163	42,091,705	233,576,107	12,877,875	6,863,249	9,074,791	4,441,990	6,698,530
Two Republics, Tex.	1,660,400	200,000	35,111	1,648,452	11,648,452	659,886	358,039	422,792	137,098	302,144
Union Mutual, Me.	19,869,877	.....	1,240,666	6,883,601	74,985,044	501,461	2,428,806	3,485,187	2,736,974	3,466,554
United L. & A. N. H.	4,850,882	500,000	345,933	13,268,709	50,002,356	5,233,479	1,682,380	1,915,757	573,080	1,325,410
Webster L. Ia.	4,545	.....	2,367	.....	238,500	.....	4,028	4,203	.....	3,008
West Coast L. Cal.	13,699,491	500,000	726,157	25,721,281	89,115,621	10,355,275	3,492,227	4,254,481	1,438,098	3,066,139
West. Union, Wash.	11,257,532	200,000	933,245	19,386,149	78,816,004	8,642,082	2,098,120	2,800,130	976,322	1,785,974

SERIES OF CONGRESSES TAUGHT BY ROCKWELL

RAISES SELLING STANDARDS

Life Underwriters Given Methods of Presentation to the Public and Principles Involved

Dr. Charles J. Rockwell, well known insurance educator of Chicago, is conducting a series of congress-schools in Canada. This is a part of the educational program of the Life Underwriters Association of Canada. The congresses will be held in 10 centers. At each congress Dr. Rockwell delivers nine lectures on life insurance salesmanship during the three-day meeting. At the congresses so far held hundreds of underwriters have eagerly assimilated new ideas, and with a new viewpoint have obtained a wider vision of the great work in which they are engaged.

Rockwell Enthusiastically Received

The value of the material presented by Dr. Rockwell cannot be overestimated. At the conclusion of the Toronto congress, as evidence of the appreciation of those in attendance, Dr. Rockwell was accorded an ovation long to be remembered, and the spontaneity and warmth was in evidence at all the other congresses. In Montreal he was presented with a suitably engraved gold wrist watch, and in Hamilton with a gold watch chain, gold pen knife and gold cuff links, also suitably engraved.

Although the financial obligations incurred by the Life Underwriters Association of Canada to promote these congresses is considerable, it is impossible to estimate their great value. The success of the 1927 Dr. Rockwell Congress series has started the association planning an even broader program for 1928.

February Is Activity Month with Moulton

IN view of the fact that February has only 21 working days, after deducting four Sundays, four Saturdays and one holiday, the Heart of America agency of the Provident Mutual Life in Kansas City, under the direction of Harper Moulton, general agent, has devised a unique contest for inducing business. Calling February "Activity Month," Mr. Moulton is basing the contest on the number of calls made, the number of interviews secured, and the number of hours of canvassing, this time being counted from the time the agent leaves home until he returns in the evening. This system is expected to help the agent make the most of each minute, and instead of setting a volume of business goal, the goal of so many calls and interviews will bring the business as a direct result. Mr. Moulton reminds his agents that they have to make four weeks' expenses in three weeks. Three prizes are offered in the contest, the first being designated as "The Big Surprise."

TO LIBERALIZE LOAN LAWS

Missouri Companies Back Measure in Legislature Which Would Aid in Farm Relief

JEFFERSON CITY, MO., Feb. 10.—The committee on life and accident insurance of the lower house of the Missouri legislature is considering two bills introduced by Horace G. Beedle, chairman of the committee, who is head of the Crescent Life of St. Louis, at the request of representatives of the Kansas City Life, Missouri State Life, International Life and other Missouri life companies. The measures are designed to remove some of the more drastic restrictions now placed on the investments of life companies, placing Missouri in

line with the more advanced thought on this subject.

One would permit Missouri companies to make loans on farm lands and other real estate secured by first mortgage up to 66⅔ percent of their fair market value. At present the companies are limited to loans up to 50 percent. The other would permit the companies to exchange land or other real estate acquired through foreclosure proceedings for other real estate, or they may in selling such real estate take in part payment the stocks or bonds of any corporation or company purchasing the land.

It is probable both bills will be reported out favorably after being amended. It is very likely that each will be changed to eliminate provisions for life companies taking stocks of corporations in part payment of real estate sold in the one bill and the clause which would allow the companies to invest in stock of corporations in the other measure.

The measure is in the nature of a farm relief law, since it would enable the Missouri insurance companies to aid agriculturists to work out their present financial problems. It would also enable the companies to avoid the necessity of foreclosing on many farm loans now on their books when such loans come up for renewal.

BENNETT COMMENTS ON RESIDENT AGENCY LAW

TAKES ISSUE WITH DUNHAM

Secretary National Association of Insurance Agents Challenges the Life Presidents' Attorney

NEW YORK, Feb. 9.—Commenting upon the recent contention of Frederic G. Dunham, attorney of the Association of Life Insurance Presidents that the laws of a number of states discriminating against non-resident agents are illegal, Walter H. Bennett, secretary of the National Association of Insurance Agents, holds that Mr. Dunham's disputation is not so much against the position of the National Association of Insurance Agents as it is against the supreme court of the United States.

Mr. Bennett said: "I might write a thesis setting forth that insurance in the very nature of things is interstate commerce and therefore should be governed by all the rules and laws applicable to trade between states, but the trouble is that I should then be, as Mr. Dunham now is, in conflict with the decisions of the highest court in the land and ipso

facto on untenable ground. We cannot become frightened by Mr. Dunham's brief. The resident agency laws of the states are too well grounded in the fabric of insurance to be unsettled by the theory that they abridge rights, privileges or immunities of citizens of other states. There are many rights accruing to the citizens of a given state that are not common to citizens of other states. State sovereignty is one of the principles on which this government of ours is founded. It will probably continue to afford its protecting and beneficent influence to generations yet unborn."

Pacific Mutual Life Record

The Pacific Mutual Life had 341,181 life applications last year and there were 3,095 or 9 percent declined or postponed. In 1925 the ratio was 7.9 percent. There were 7.8 percent declined for purely medical reasons and for unfavorable inspection reports 1.2 percent. In 1926 the Pacific Mutual issued 1,280 substandard policies or 4.1 percent of the total. Oklahoma has the smallest percentage of declinations when agencies are grouped that sent in more than 1,000 applications, its percentage being 6.7. Of those sending in less than 1,000, Seattle leads with 6.5 percent.

Condensed Annual Statement

	1926	Increase over 1925
New Business Issued (Ordinary)...	\$ 72,205,135.00	\$ 688,778.00
Business in Force (Ordinary).....	453,758,333.00	36,055,175.00
Income	21,812,121.15	2,333,325.99
Assets	83,520,345.92	10,343,376.18
Liabilities	80,267,266.37	10,091,868.33
Gross Surplus Earned.....	4,086,872.35	124,470.00
Provision for Future Profits to Policyholders	8,314,525.00	1,078,453.00
Unassigned Profits and Contingency Reserve	3,153,079.55	351,507.85

The Surplus Earned in 1926 \$4,086,872.35

was the largest in the Company's history.

During 1927 the Company will pay
Increased Profits to Policyholders


HEAD OFFICE — WINNIPEG

C. T. MILNER—Manager for Illinois
315 Marquette Bldg.—Telephone 5562
CHICAGO

PLAN AMERICAN LIFE CONVENTION SESSIONS

OFFICIALS CONFER IN DALLAS

To Make Preliminary Arrangements for Annual Meeting—Discuss Change in Commissioners' Blanks

Herbert M. Woollen, president, and Claris Adams, secretary-treasurer and general counsel of the American Life Convention, will visit Dallas, Tex., Feb. 16-17 to make preliminary arrangements for the annual meeting of the Convention there next October. The Legal Section of the American Life Convention will be in session at Dallas Oct. 26-27 while the Convention will meet later in the same week.

While in Dallas President Woollen and Secretary Adams will confer with Harry L. Seay, president of the Southland Life, who is also a member of the program committee for the annual meeting. The fourth member of the committee is T. W. Blackburn, associate counsel for the Convention. Tentative plans promise the most successful convention in the history of the organization. It is expected that the attendance will set a new record for the organization.

Blanks Committee Meets

The committee on blanks of the American Life Convention met this week in St. Louis to consider proposed changes in the report forms. The committee is composed of Franklin B. Mead, vice-president Lincoln National Life; Henry W. Buttolph, actuary American Central Life; Marcus Gunn, actuary Western States Life; and George Graham, vice-president Central States Life.

One change the committee will probably favor for submission to a special sub-committee of the Insurance Commissioners Convention for consideration would be the insertion of a special line in the annual statement form for the listing of coupon reserves. This line would be inserted above Line 7 where other reserves required by law are listed.

Meet Revenue Bureau Objections

The grouping of coupon reserves in the annual statements of the various companies would go far to overcoming one of the principal objections of the Department of Internal Revenue to considering coupon reserves as among the reserves required by law. The department has declined to permit the four percent exemption on the earnings on coupon reserves, although such exemption is permitted on other reserves required by law.

PLAN FOR MEETING OF AGENTS

Northwestern Mutual Men Will Meet at Home Office to Arrange for Their Annual Convention

MILWAUKEE, Feb. 10.—Plans for the 1927 meeting of the Association of Agents of the Northwestern Mutual Life will be arranged Feb. 14-15 when the standing committee of the association meets at the home office here. The committee in charge promises that the meeting this year will surpass those of previous years.

The standing committee is composed of E. H. Earley, Brooklyn, N. Y., chairman; B. J. Stumm, Aurora, Ill.; E. E. Lincoln, Akron, O.; T. A. Cox, St. Louis, and A. G. Ruben, Minneapolis. In addition to the committee the following officers of the association will attend the meeting: President, C. L. McMillen, Milwaukee; vice-president, Paul M. Smith, Charleston, W. Va.; Russell P. Thierbach, Milwaukee, secretary-treasurer; Ralph H. Hobart, Chicago, president of the General Agents' Association; and I. B. Eberhardt, Chicago, president of the Special and District Agents' Association.

AS SEEN FROM NEW YORK

BY G. F. WILLISON

HALEY FISKE'S YOUTHFULNESS

President Haley Fiske of the Metropolitan Life, reversing the order of nature, apparently grows younger and stronger every year. To have seen him guiding with tireless energy and watching over with an all-observing eye every phase of the company's great annual agency convention recently held, was an inspiration and a revelation to many keen, powerful men who will have to carry on several score more years before they will have lived three-quarters of a century as President Fiske already has. His youthful vigor is no doubt accounted for by the fact that he has never been content to stand still, mentally or spiritually. He is still in quest of his ideals and dreams and therefore has always retained the enthusiasm and passion of his early interests.

RESPOND TO GOVERNMENT APPEAL

Godfrey B. Moore, manager here for the Guardian Life, offered a resolution at the meeting of the New York Life Underwriters Association, calling upon all members to respond effectually to President Coolidge's appeal that world war veterans be induced in every possible way to reinstate the government war risk insurance, which so many of them have allowed to lapse. Declaring that life underwriters made a record in Liberty Loan and Red Cross drives and similar activities which demonstrates that they yield first place to no other group in welcoming opportunities at any time for unselfish and patriotic service to their fellow citizens and declaring that life underwriters, by reason of their calling, are particularly qualified to render valuable assistance in this cause, the resolutions call upon all members of the New York association to use their influence to the utmost in urging war veterans, their families or friends, to avail themselves of the privilege of reinstating in full their \$10,000 government policies before July 2, 1927, when the privilege is withdrawn. Copies of these resolutions were ordered to be transmitted to the National Association of Life Underwriters, to Brigadier General Hines, director of the Veterans Bureau, and to President Coolidge.

EFFECT OF INSTALLMENT BUYING

Installment buying and its effects upon life insurance drew forth several interesting comments at the Metropolitan Life's recent convention of managers. Observing the increasing ratio of lapses on industrial policies, President Fiske said that he undertook an investigation last fall, particularly in the districts about Chicago and Milwaukee. Almost without exception, the managers and agents in those districts attributed the increasing ratio in large part to the growing habit of installment buying. All sorts of things from radios to automobiles were being bought on a weekly installment basis. When people get rather up against it, they are apt to drop their insurance and meet these weekly payments with the money that should have been used to pay their weekly premiums. This is killing the goose that laid the golden egg, said President Fiske. If a man lets his insurance go, everything may go, for his widow cannot go on meeting these payments if there is nothing to meet them with. It is the duty of every agent, he said, to prove that insurance premiums should be the first charge against wages.

LAPSES DUE TO POOR AGENTS

Vice-President Archibald F. C. Fiske in charge of the Canadian territory, one of the most popular executives of the Metropolitan Life, judging from the tremendous ovation given him by the company's managers at their convention, declared that life insurance production

is being held down below what it would be if there were not insidious propaganda going about that the writing of a great deal more business necessarily means a great deal more lapses. But the fact is, he said, that lapses do not come from good agents who are piling up production but from poor agents who are writing little. If written properly by a good agent, business sticks, regardless of volume. Success, he concluded, will inevitably come to any agent of the company who writes an average of eight applications a week in any department—ordinary, industrial or personal accident and health.

TULLY SOJOURNS IN INDIA

William J. Tully, general solicitor of the Metropolitan Life, is enjoying a long and happy sojourn in India and the far east, having been the guest of the governor-general of Bombay and many other notables. From Colombo, Ceylon, he sent a cablegram through President Fiske conveying his greetings and best wishes to the company's managers and leading agents when they were here recently in convention assembled.

P. M. FRASER COURSE

The P. M. Fraser agency of the Connecticut Mutual opened its winter life insurance training course here at its offices on Wednesday evening. For the next five weeks lectures will be held every Wednesday evening. The course, which will be under the direct supervision of Melvin J. Sackerman and Charles J. Zimmerman, associate general agent, is open to all interested life underwriters, but it has been planned primarily for men new to the business and general insurance men who wish a good fundamental knowledge of life insurance. Already over 30 men and women have enrolled for the course.

ZIMMERMAN GAVE A TALK

The Samuel Karsch agency here of the Equitable Life of New York heard the problems and mysteries of business insurance explained last week by Charles J. Zimmerman, associate manager of the Fraser agency of the Connecticut Mutual, who elucidated the fundamental principles of business insurance and gave concrete examples of practical methods that have been successfully used in writing this form of protection. In thanking Mr. Zimmerman for his address, Mr. Karsch pointed out to the 30 or more agents present the desirability of joining the New York Life Underwriters Association if only because of its well-organized speakers' bureau from which experts on any and every phase of life insurance can be obtained as speakers by any agency desiring them.

HONORED BY POLICYHOLDERS

Vash Young of the Equitable Life of New York was honored this week at a testimonial luncheon almost unique in local history. Mr. Young was the guest of his own policyholders and clients, who took this means of demonstrating that "by right methods an insurance man can have his clients running after him instead of away from him." On the reception committee were such distinguished names as Frank D. Waterman, Waterman Fountain Pen Company; S. E. Lester, New York Telephone Company; Fred S. Sly, "The American Architect"; Walter Shea, "Review of Reviews"; F. L. L. Stevenson, Doubleday Page & Co., and Vice-Presidents Frank H. Davis and John A. Stevenson of the Equitable Life.

U. S. Chamber Meeting

The fifteenth annual meeting of the Chamber of Commerce of the United States will be held at Washington, May 2-5.

NEW INSURANCE CODE HITS CONTRIBUTIONS

FORBIDS POLITICAL GIFTS

Defamation of Rival Companies and Agents Also Put Under the Ban

William BroSmith, vice-president and general counsel of the Travelers, has revealed that a model insurance code, which would forbid contributions by insurance companies to political "slush funds," is being formulated by the committee on insurance law of the American Bar Association.

Mr. BroSmith, who is chairman of the committee, explained that the code is being compiled as the result of action taken at a recent convention of the bar association.

It is designed to provide adequate and proper regulation of insurance and insurance companies if enacted in its entirety in any of the states. Most of the provisions have borne the test of time as laws in several states.

Prevent Campaign Gifts

One of the principal purposes of the proposed regulations is to prevent political parties or personages from receiving from insurance interests any contributions such as those exposed by the Reed campaign expenditures committee in the United States Senate.

The proposed code prescribes, in part, that "no insurance company shall directly or indirectly pay or use or offer, consent or agree to pay or use any money or property for or in aid of any political party, committee or organization, for or in aid of any corporation, joint stock, or other association organized or maintained for political purposes or for or in aid of any candidate for political purpose whatsoever."

May Be Imprisoned

Any company officer convicted under the provision would be subject to a fine of \$1,000 and maximum imprisonment of one year.

Another striking provision of the code would prohibit insurance agents from defaming rival companies or agents in any way under penalty of \$500 fine or one year's imprisonment.

Officials of companies which permit false statements in the advertisements purporting to disclose their financial standing would be subject, under the code, to a forfeit to the state of \$500 for the first offense and \$1,000 for every subsequent offense.

JANUARY SHOWS NICE GAIN

Bankers Life of Iowa Records Increase in New Business for the First Month

January business of the Bankers Life of Iowa showed a healthy gain over the business of January, 1926. The total of new paid-for business for January, 1927, was \$7,741,605, marking a gain of \$1,425,546 over the paid-for total of \$6,316,059 written in the same month of 1926.

In achieving this marked gain the Bankers Life experienced its first million dollar day of 1927. The paid-for total of Jan. 31 was \$1,381,040, representing 609 applications received at the home office on that day.

The DeForest Bowman agency at Chicago led all agencies in January with a paid-for total of \$511,500. The G. F. Murrell agency at Pittsburgh was second with \$400,000, and the Elbert Storer agency at Indianapolis, high agency of 1926, was third with \$338,500.

High salesmen for the month were A. Bornstein and S. Bornstein of Seattle. Each of the Bornstein brothers produced paid-for business of \$82,500 during January. F. E. Webber of Pittsburgh was second with \$72,000.

COOPERATION ON CLAIMS AIDS AGENT AND COMPANY

DELAYS CAUSE BAD FEELING

A. W. Pettit of Federal Life Urges Agents To Get Every Question Answered on Accident Claim Blank

The importance of cooperation by the accident and health agent with the claim department of his company, for the agent's benefit as well as that of the company, was emphasized by Arthur W. Pettit, assistant general counsel and head of the claim department of the Federal Life, in an address before the agency clubs of that company at their convention in Chicago. It was pointed out irregularities in filling out of claim blanks, for example, which the agent might easily have corrected in the first place, cause delays in settlement and vexatious correspondence with the home office, irritating to the claimant and arousing a feeling of antagonism such that the agent may virtually have to sell the prospect all over again on his next visit. Especial emphasis was laid on the necessity for having every question on the claim blank answered.

Agent Informed, Company Liable

Cases were cited in which claims had been questioned because of apparent misrepresentation on the part of the policyholder, but where it was testified that correct information had been given to the agent, and the company was therefore held liable. In one case involving disability due to intestinal ulcers, it was found that the statements made in the application regarding previous disability and medical attention were incorrect, but the policyholder insisted that the agent had been told about previous attacks, but did not put down anything about them. In an-

other case a man was injured in an accident in a mine. The application showed that he was engaged in an insurable occupation, whereas it developed that his regular occupation was that of a miner, working underground, and that the agent knew the fact, having written the application when the applicant had just come up out of the shaft.

Field Man Can Find Facts

It was pointed out that doctors will in some cases fill out claim blanks merely because they do not see any way to get out of it, and that the field men can check up on such cases and find out the facts in regard to them when it is very difficult for the home office to do so. Mr. Pettit advised the agents to help fill out claim blanks in cases where there is a legitimate claim, to be sure that they are in proper shape, and if the disability is not covered under the policy, to explain why at once, rather than "pass the buck" to the claim department, with resulting delays and irritations that are likely to unsettle the agent's entire business.

He mentioned some unusual claims that had been received, probably the prize instance being that of a doctor, a specialist in Chicago, who was injured while skating. He claimed that his skates constituted a "vehicle" and that inasmuch as his injury resulted from the loosening of a clamp on his skate, that was equivalent to the wrecking of a vehicle and therefore brought the case under the coverage of a travel accident policy which he carried.

Accidental "Means" and "Events"

In reply to a question regarding the difference between "accidental means" and "accidental event" in the insuring clause of an accident policy, he stated that the latter form was much broader, and illustrated the point by the case of a man suffering from heart disease who had trouble with the mechanism of his car and ran into an abutment as a result. He got out and walked around the car to see how much damage had

been done, and then dropped dead. Doctors said his death was from heart disease, but the particular attack that ended his life was caused by the excitement and shock of the accident. Mr. Pettit said death in the case was not by "accidental means" but was the result of an "accidental event" and would be covered under the latter wording.

"Tell Whole Story," Jack Urges

Dr. John B. Jack, consulting surgeon of Chicago, who acts as medical adviser to the claim department of the Federal Life, also spoke on the necessity for "telling the whole story" in filling out claim blanks. He referred to two or three cases where months of disability were claimed from an apparently minor cause. Investigation showed that there were complications in the cases which fully accounted for the extended disability, but these were not mentioned in the claim blank. If they had been, the investigation probably would not have been necessary. Dr. Jack said that agents sometimes felt that investigations were made in cases where there was no occasion for it, but to illustrate the unexpected results that will sometimes develop from such an investigation, he told of a man who reported the total loss of sight of one eye. The case seemed to be perfectly regular, but in connection with a request for more detailed information, the claimant was asked to give the names of any oculists or optometrists who had examined his eyes within five years. When letters were sent out to them, one replied that the man had come to him about three years before to be fitted for glasses, and that he had fitted one eye, but there was no occasion to do anything with the other, as it was totally blind at that time.

Ben Thorp of Dallas, Texas manager, told of a smooth swindler in his territory who had put through two fake claims under different names, forging the doctor's report in each case, and had also victimized another company,

LEADING STATES OF THE NORTHWESTERN MUTUAL

NEW YORK IS IN THE LEAD

Illinois is the Second in the List While Wisconsin Comes in as Third

The Northwestern Mutual Life lists its new business and amount in force by states. The leading states show the following results:

States	New Bus.	In force
New York	\$43,499,325	\$470,499,669
Illinois	37,265,870	368,084,512
Wisconsin	29,680,100	276,815,554
Ohio	27,270,100	234,640,662
Pennsylvania	25,806,725	226,439,851
Michigan	22,234,825	162,201,133
California	14,705,025	148,106,016
Missouri	13,826,238	117,217,942
Minnesota	13,407,100	135,679,969
Iowa	12,083,660	125,502,349
Indiana	9,842,900	93,123,608
New Jersey	9,042,250	75,539,584
Massachusetts	7,196,740	91,991,740
Kentucky	6,966,600	67,323,922
Nebraska	5,797,750	48,242,078
Kansas	5,738,700	48,108,538
Oklahoma	5,037,050	40,296,844
Washington	4,985,300	53,224,565
Connecticut	4,307,000	50,516,171
West Virginia	4,088,500	38,657,048
Maryland	3,489,000	37,602,724
Colorado	3,452,000	43,780,174
Georgia	3,401,400	35,131,526
Virginia	2,931,700	39,915,380
Dist. of Columbia	2,728,600	19,823,586
Tennessee	2,310,500	32,908,898
Maine	2,302,750	18,577,617

but was finally run down by the federal authorities.

C. L. Swanson, district manager for the Aetna Life at Duluth, Minn., is the proud father of a baby boy, born Feb. 4.

"Mr. chairman," said an Irish member of the local board, "I move, sor, that this proposed committee of eight be made nine, so that in case of a tie vote there'd be one majority."

WEST COAST LIFE INSURANCE COMPANY

SAN FRANCISCO, CALIFORNIA

FINANCIAL STATEMENT, DECEMBER 31, 1926

ADMITTED ASSETS

First Mortgage Loans (secured by property appraised at \$10,994,141)	\$ 4,670,928.20
Bonds and Stocks owned	3,861,205.45
Policy Loans and Premium Notes (within reserve)	2,935,038.20
Home Office Building and Other Real Estate	964,613.50
Collateral Loans	112,375.00
Net Premiums outstanding and deferred (Secured by Legal Reserve)	613,246.83
Interest and Rents due and accrued	125,328.53
Cash in Banks and in Office	380,680.82
Other Assets	36,474.95

TOTAL ADMITTED ASSETS.....\$13,699,891.48

LIABILITIES

Reserve on all outstanding policies	\$11,546,131.02
Reserve for losses incurred	174,044.63
Interest and Premiums Paid in Advance	66,124.86
Reserves for taxes payable during 1927	101,360.51
Sundry Liabilities Reserve	38,674.87
Capital Stock	\$500,000.00
Assigned Surplus (Deferred and Annual Dividend funds)	547,398.37
Unassigned Surplus	726,157.22

SURPLUS TO POLICYHOLDERS.....1,773,555.59

TOTAL.....\$13,699,891.48

RESULTS FOR 1926—TWENTY-FIRST YEAR

BUSINESS IN FORCE	\$99,115,621.00
INCREASE IN FORCE 1926 (11.7%)	10,355,275.00
NEW BUSINESS PAID	25,721,281.00
INCREASE OVER PREVIOUS YEAR	823,615.00
ADMITTED ASSETS	13,699,891.48
INCREASE IN ASSETS 1926 (12.5%)	1,523,979.45
UNASSIGNED SURPLUS	726,157.22
SURPLUS TO POLICYHOLDERS	1,773,555.59
INCREASE FOR YEAR	98,437.02

WEST COAST SERVICE

Embraces

Group Life, Group Disability, Wholesale Insurance, Bank Depositors' Plan, Salary Savings' Plan, Selective Risk Plan, Sub-Standard Business and Combination Weekly Accident and Health and Dismemberment

OPERATES IN FOURTEEN STATES

ANALYSIS OF HOMICIDE DEATH-RATE IS MADE

COMPARISON MADE BY STATES

Certain Sections Show Disastrous Experience—Country as a Whole Far Worse Than Canada and England

An important analysis of the homicide death rate in this country as compared with Canada and England and also compared by states has been made by the Metropolitan Life on the basis of its experience. It is pointed out that the homicide death rate has become a matter of apprehension in a good many quarters and thus a comparison of current statistics is of particular interest. Much interest is attached to the data concerning homicides.

Many Times England

The figures given by the Metropolitan Life show that United States has nearly 12 times as many homicides per 1,000 of population as they have in England and about 5½ times as many as in Canada. This comparison includes the colored population in this country, but even with the elimination of the colored population, the homicide death rate in the United States approximates seven times that for England and Wales. The figures of the Metropolitan Life show that the 1926 death rate from this cause will be slightly lower than those reported in 1925, 1924 or 1923, but little encouragement is taken from this fact, inasmuch as these three years, together with 1917 showed the highest homicide mortality ever recorded among industrial population. It is pointed out that little comfort can be taken from the slight betterments accorded for 1926.

During the 16 year period, 1911 to 1926 the homicide rate for the industrial population had shown a slightly upward tendency at the same time that the rate for suicide has been almost cut in half and then for accidents reduced very materially. The rate is particularly disastrous among colored risks. The rates per 100,000 for the United States and Canada as a whole are 3.6 on white risks and 34.1 on colored risks. The Canadian experience alone showed a death rate of .7 on white risks and 13.9 on colored risks, the United States experience alone showing 3.8 on white risks and 34.2 on colored risks.

New England Best

The comparison of the experience by states brings out strikingly the territorial grouping of the disastrous homicide death rates. The New England states are very definitely at the top, showing only a death rate of 1.2 on white risks and 9.1 on colored risks and three states in this group, Maine, New Hampshire and Vermont, showing no homicides whatsoever. The second group is that of the mountain states which shows a death rate of 2.6 on white risks and no deaths among colored risks, Colorado of this group showing no deaths at all. The Atlantic Coast states were next and the central states next. The most disastrous experience was in the south, the east south central states showing a death rate of 8.4 on white risks and 38.2 on colored risks and the west south central states showing a death rate of 8.2 on white risks and 45.2 on colored risks. While the west north central states showed a death rate of 6.4 on white risks, they showed the highest group death rate on colored risks, a figure of 52.0. The highest death rate shown in any state was in Oklahoma on colored risks, where 115.2 was reported. On white risks the most disastrous experience was recorded in Arkansas where a death rate of 12.4 was reported. Florida, Tennessee, Alabama and Arkansas all showed death rates on white risks of over 10 percent and Illinois, Michigan, Minnesota, Missouri, Nebraska, Florida, Oklahoma and Washington all show death rates of over 50 on colored risks.

MOULTON CALLS ATTENTION TO DEMAND FOR AN INSURED ANNUITY

HARPER MOULTON, general agent of the Provident Mutual Life in Kansas City, believes there is a demand in the field for an "insured annuity." During past years a number of life men have used a single premium life policy together with an annuity for the purpose of creating a tax-free life income with the principal guaranteed. He finds that the combining of these two contracts has some disadvantages and he regards them as more or less clumsy. The matter was taken up with the Provident Mutual and it brought out a contract called the "Life annuity with specified payment at death."

Desirability of Contract

Mr. Moulton believes that a policy of this kind will meet the demand where a policyholder desires to secure an income during his life without the possibility of loss of principal and then have the principal paid over at his death according to his wishes. He said that although this particular contract was not prepared with the thought that it would be especially attractive to the purchaser from a tax saving standpoint, yet it works out that way.

Mr. Moulton was formerly one of the leading life men of Chicago where he wrote several notable life policies for Marshall Field III. He says that from his experience in both Kansas City and Chicago he finds that there is a demand for this type of investment from prospects of large means.

Points of Advantage

He brings out the following points for a contract of this nature:

1. **Income Tax**—According to Solicitors Memorandum 3434 of the Internal Revenue Bulletin of June 8, 1925, income derived from an annuity is tax-free until the full amount of the annuity premium has been returned. This tax-free period varies with the age and sex of the annuitant, being 16 to 18 years for a woman of about 30 years. As a small portion of the income represents full-paid dividends on the life portion of the contract (10 percent of the income at age 35), this small portion is subject to the surtax only.

State Inheritance Tax

2. **State Inheritance Taxes**—It is extremely doubtful if the taxing authorities of the various states would attempt to impose an inheritance tax on the specified payment at death. If the purchaser feels this to be a material point he should consult his own counsel.

3. **Federal Estates Taxes**—It seems fairly certain that the federal authorities would include the specified payment at death in the annuitant's estate although they would no doubt allow the \$40,000 exemption that life insurance enjoys. It is probable that amounts in excess of \$40,000 could be made exempt the same as it is possible to do with other forms of life insurance.

For example, suppose that a man, aged 60, buys \$100,000 of this investment. His purchase price would be \$104,500 and the return would be 4.75 percent on the face value or 4.55 percent on the amount invested. This \$4,750 in-

come would, for taxing purposes, be divided as follows:

Portion exempt from income tax for 10 years.....\$3,977.40
Portion subject to the surtax... 772.60

Total annual income.....\$4,750.00

The above results are based on the Provident Mutual's current excess interest rate of 4.75 percent, of which 3.5 percent is guaranteed. The premium or purchase price remains constant regardless of age because the annuity premium and the life premium vary inversely with each other. For those with large estates the net yield can be raised to 5 to 7 percent by the following procedure: Purchase a certain amount of this investment, then take a sum equivalent to the inheritance taxes on this amount and buy a straight annuity. The combined income would give a tax-free yield of 5 to 7 percent, and yet the net amount payable to the annuitant's estate would be the same as if the original investment had remained in the estate.

Some Beneficial Points

The advantages of this unique contract are as follows:

1. Principal is guaranteed in that the face value of the investment is returned to the estate of the insured or to the beneficiary or beneficiaries named. A forced sale cannot shrink this investment.

2. The proceeds may be left in trust with the company or be distributed under one of the regular installment options the same as with a regular life insurance policy.

3. A minimum interest rate of 3.5 percent is guaranteed and a very good interest rate of 4.75 percent is actually paid (4.55 percent on the purchase price).

4. The tax-exempt feature makes this 4.55 percent income equal to that of a taxable income-producing bond with an income of 6 percent (based on an income of \$50,000 a year for the purchaser).

5. The yield coupled with the assets behind this investment make it the equal of any municipal bond on the market.

6. The valuable inheritance tax features have been pointed out.

Marketability of the Investment

7. The marketability of this investment is paramount in that it can be surrendered at any time for its face value (the specified payment) plus the income to date.

8. Regardless of interest rates loans can be made at any time and at 6 percent.

9. Administration expenses, probate fees and reinvestment hazards are all avoided.

10. The insured may arrange for the distribution of the proceeds at his death and know that they will be carried out.

11. A man can purchase this contract for a dependent, giving the latter a life income only with no right to touch the principal or to assign or commute the income. The principal can be distributed in accordance with the purchaser's wishes.

Agent's Record Shows Possibilities for Sales

THE following message was sent to his agency force by J. A. Campbell, manager of the central branch office of the New York Life in Chicago, to illustrate the possibilities of looking about for prospects instead of worrying about them:

"Does it pay to own a home? That is a question that has been asked over and over again in the daily papers. If every one could have the same experience our W. F. Staeker had it certainly would. See what he did.

"Bought a lot in Oak Park and built a beautiful home.

"He sold the real estate man from whom he bought the lot a policy for \$18,000. Sold the electrician \$10,000; the painter \$10,000; the screen man \$20,000; and the contractor \$15,000; and last, but not least, the plumber for \$100,000. A total of \$173,000 was sold to the people working on his home.

"Simply mention the above to demonstrate to you there are prospects galore all around. Mr. Staeker did not have to hunt this bunch for they were right under his nose. Fine salesmanship. Do likewise."

ANALYSIS OF PHOENIX MUTUAL'S PRODUCTION

DISCUSSED AT CONFERENCE

Study Is Made of Financial Compensation of Managers Under Branch Office System

The Phoenix Mutual Life, which has done so much practical work in the fields of advanced selling and management, recently completed a very successful and interesting experiment in its educational conference for managers, held at Signal Mountain, Tenn. The 25 leading branch office managers of the company were in attendance, selected by contest on a new plan which utilized a carefully developed point system.

Average Salary \$10,170

It was revealed that in 1926 fewer than 500 agents submitted 22,620 applications for \$97,950,000 insurance. Only 509 applications were declined, while 13,759, or 60.8 percent of these applications, for a total of \$33,934,000, were selective risk non-medical examination and 11,708, or 85.1 percent of the 13,759 applications were issued without the necessity of seeking further information. The average salary for 1927 of the 25 managers who came together in this meeting was found to be \$10,170, plus personal earnings and renewal commissions on personal business. The average length of managerial service was exactly four years.

Managerial System Advantageous

It will be remembered that this company has changed from the general agency to the branch office system and the plan of compensation is that the next year's salary of the manager is determined by the volume of this year's sales. The discussions at the meeting also brought out that the Phoenix Mutual plan of managerial compensation had aided greatly in developing a system which permits of reasonable freedom in financing new men brought into the business of life insurance.

HAS NEW SERIES OF POLICIES

Illinois Bankers Life Association Announces Issuance of Forms With Cash Values Added

The Illinois Bankers Life Association of Monmouth, Ill., announces the establishment of a new series of policies. Under the new plan, paid up and extended insurance and old age cash surrender values have been added. The new values necessitate somewhat higher rates than the old policies. A new rate book has been issued carrying rates and values for the new policies only. The old rate book continues in effect for the old policies, and the use of both books will be necessary pending a complete revision and consolidation of the rate manual. The new plan will not supplant the former policies, which may still be written on the same basis as heretofore. Reserve accumulations for the two groups of policies will be kept separate. The new policies will be written on whole life, 20-payment life, 30-payment life and paid up at age 65 plans. Special features, including double and triple indemnity for accidental death and permanent and total disability with waiver of premium and monthly income are available under the new policy.

The Illinois Bankers Life, which was organized in 1897, now operates in 19 states and has more than \$100,000,000 of insurance outstanding on 65,000 policyholders. Its assets have reached \$5,900,000 and the annual income exceeds \$2,000,000. The new rates are based on the American men mortality table with interest at 4½ per cent.

Manager Charles A. Foehl of the Prudential in New York City is spending the month at St. Augustine.

IVES & MYRICK HAVE DEVELOPED AN EFFECTIVE SYSTEM FOR HELPING AGENTS

PERMANENT success in life underwriting can be attained by those general agencies that consistently "follow through" in their service to policyholders and agents. To "follow through," however, requires facilities that are made available only by well-planned agency organization. What such organization can do may be seen in the case of Ives & Myrick, metropolitan managers for the Mutual Life of New York. Since the agency's formation in 1909, its annual production has increased from \$1,600,000 to more than \$35,000,000 last year. In addition to the prompt handling of applications and policies, and thorough consideration of all cases, small as well as large, Ives & Myrick offer agents and brokers such special services as thorough courses of instruction for new agents, modern plans of solicitation and supervision, assistance of agency staff in field work without affecting agents' commissions and cooperation of a special department with agents in service to policyholders.

Keeps Business on Books

To consider the last first, this special department not only makes service to policyholders more efficient but has proved very effective in keeping business on the books. Once each year every policyholder is reached by a change-of-age letter, a copy of which is also sent the agent who first sold the policyholder. This department also checks up from time to time on the provisions of all outstanding policies, seeing that beneficiary clauses are as desired and keeping track especially of all business insurance policies written. Business policies should be gone over frequently with policyholders, according to Charles E. Ives, in order to see that they take account of conditions as they change from year to year.

Have Instruction Course

The instruction training course offered not only to new but old agents as well as brokers lasts four weeks and is under the personal direction of Mr. Ives who is assisted by 11 salaried agency supervisors and instructors. Seven or eight of these courses are given each year. The average enrollment is between 30 and 40. The eight lectures given are as follows: (1) synopsis of course (essential uses of life insurance, structure, salesmanship, underwriting); (2) fundamental actuarial principles, rate book analysis; (3) policy contracts; (4) selling plans (family protection, incomes, insurance programs, etc.); (5) selling plans (continued), salesmanship essentials; (6) business insurance; (7) estate problems and taxation; and (8) underwriting and office procedure. On the completion of the course the new men are sent out into the field alone but they are encouraged to call upon their supervisors and instructors for assistance in solving their problems or closing difficult cases. In their educational work Ives & Myrick pursue the two-fold aim of instructing new men thoroughly in life insurance principles and salesmanship and of developing them later to their full capacity by sympathetic and efficient cooperation.

This educational policy turns out scientific, well-equipped life underwriters instead of old-time life insurance "peddlers," whose only appeal was to the emotions. They are equipped to talk sensibly and pointedly to a prospect about "programing" his financial needs of the present and the future instead of timidly asking him to "round out his insurance to an even figure." In this work they are greatly assisted by an insurance program form that Mr. Ives has spent years developing. By means of this program, which includes an appraisal inventory, the client's entire financial problem is analyzed and broken up into its component parts.

These parts are then separately considered and the best solution for each is suggested.

The estate and insurance program form evolved by Mr. Ives divides these component parts under three main headings. The first includes all those items that must be paid from the estate before it is delivered over to the client's family. Among these items are federal and state income and inheritance taxes, administration charges, current debts, expenses of last illness, mortgages, notes and similar claims that must be paid off or renewed by the beneficiaries. Cash for the payment of all of these charges, which are estimated at from 12 to 25 percent of the average estate, is usually provided by a clean-up policy.

Provisions for Family

The second group deals with provisions for family, disability and old age. What percentage of his present income is the client going to assure his family? Figures compiled over a number of years by Ives & Myrick show that for average annual incomes from \$1,500 to \$10,000 a percentage of at least 64 percent must continue to the family, of which half should be guaranteed the wife for life and the other half divided between the two or three children until they are self-supporting. There are two other items: (1) income to self in case of total and permanent disability and (2) reserve fund for old age and retirement. This is the main and essential part of the program as it is the main and essential part of every man's financial problem.

The last group includes items which, while important, are not actually necessary. Is a lump sum to be left the wife in excess of the principal that provides her income? What provisions for educating the children? Are the sons going to be given business capital at certain periods and are the incomes to daughters to be extended for life? Is any provision to be made for charitable bequests, institutional endowments, bequests to other members of the family, servants, friends, etc?

Sees Insurance Needs

When a client's money needs are thus definitely set down in terms of principal and income, he can then see clearly just what cash value his estate must have if his purposes are to be carried out as he desires. The final steps in the making of such a program are: (1) the computation of the client's present funds or sources of income from his business, his property holdings, etc.; (2) the subtraction of this sum from the total needed cash value of his estate, (3) the subtraction of his present insurance from this last balance, which leaves the exact amount of new insurance required to make his estate large enough to do all that he wishes it to do. Once the large and essential things of the program have been clearly outlined, it has been found that the details naturally work out by themselves.

Convention Blank Changes

To avoid the possibility of any misunderstanding, Henry D. Appleton of the New York department, as chairman of the committee on blanks of the National Convention of Insurance Commissioners, has again addressed state departments, committees and others interested in changes in the annual statement blanks notifying that any suggested changes in present forms be filed with him not later than March 1, and preferably before Feb. 15. The committee on blanks will hold a series of meetings beginning April 4, so that its report may be ready for submission to the executive committee of the convention soon thereafter.

An Acid Test

which will eliminate "suspects" and leave only prospects has long been the dream of the experienced life insurance salesman.

THERE IS A WAY

to separate good leads from bad—surely, quickly, and scientifically. American Central fieldmen have at their disposal all the advantages of a method of accurate prospect analysis which saves time, effort, and money. Guesswork and lost motion in canvassing are definitely eliminated. And this invaluable aid is just one of a series of consecutive steps carrying the fieldman smoothly and inevitably from mere leads to sound sales.

BLUNDERBUSSES

have been relegated to the discard by rifle fire. Through the Prospect Survey of the American Central, life insurance salesmen enjoy a standard of quality production that is a result of precise selection plus unique sales service from the Home Office.

AMERICAN CENTRAL LIFE

INSURANCE COMPANY

INDIANAPOLIS

Old Line Legal Reserve
Established 1899

HERBERT M. WOOLLEN, President

ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

Offers an unexcelled line of policy contracts.

Our juvenile policies, written on children as young as one day old, go in full benefit automatically at age 5 without re-examination.

Our special low rate policies to business and professional men are fast sellers.

We write women on equal basis with men.

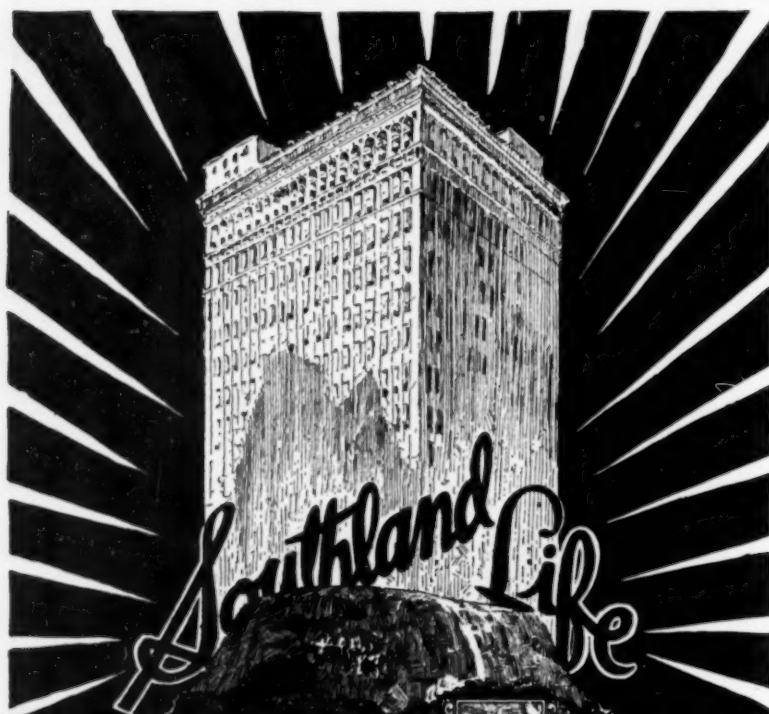
Splendid agency openings are now available.

Write William Koch, Vice President and Field Manager.

ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

A. C. Tucker, President



SOUTHLAND LIFE INSURANCE COMPANY

HOME OFFICE DALLAS, TEXAS

HARRY L. SEAY, President
Over \$111,000,000 Insurance in Force

Some very desirable territory still open in its home state—TEXAS.
Exceptional opportunity for the right man in Tennessee, Minnesota and Indiana.
The Southland's agents receive wholehearted Home Office co-operation.

For Information Address

CLARENCE E. LINZ, Vice Pres. and Treas.
DALLAS, TEXAS

LARGE AGENCIES ARE DEVELOPING TRAINING

VARYING METHODS ARE USED

**Work of Knight Agency in New York
Is Example of Tendency
of This Activity**

Large general agencies throughout the country, particularly in New York City and other large centers, are devoting more and more time and study to the problem of properly training agents. As the great educational movement in life insurance has spread there has come the almost universal realization that a man must possess something more than enthusiasm and a rate book to sell modern life insurance. The realization has grown that life insurance salesmanship today is a professional service requiring professional skill and knowledge from those who hope to succeed in it. For that reason the educational experiments of any and all representative general agencies have assumed a vital significance for the life insurance business as a whole.

Varying Methods Used

More interesting perhaps than educational theories—and they are many—is the practical application of these theories in particular instances. Different agencies make different applications of these theories with varying results. Some stress the purely selling aspects, while others train their men by instructing them rather thoroughly and deeply in the fundamental basic principles of life insurance. Most agencies seek to establish training courses which combine in a varying degree instruction both in practical salesmanship and general principles.

Knight Agency Has Course

The C. B. Knight agency of the Union Central in New York offers a training course under the direction of Preble Tucker, which admirably illustrates the nature, scope and tendencies of the educational work being done by the larger agencies. The course is designed equally for those off the street and those from university life insurance training courses, according to Mr. Tucker, whose constant aim as an instructor is to get to the practical points as quickly as possible. Two schools are held regularly each year—one in the spring for 6 weeks and a longer and more complete one every fall, lasting from the middle of September to the last of November. In addition to a considerable amount of individual instruction, these courses consist of two lectures a week on every aspect of modern life insurance salesmanship and must be attended by all new agents. At the end of the course they are required to pass a written examination on the subjects touched upon in the lectures. The size of these classes varies considerably from year to year, more than 50 having been enrolled in the 1926 fall course.

Give Foundation First

The first five or six lectures, Mr. Tucker explained in a recent interview, are devoted entirely to laying down the fundamental actuarial principles of life insurance in plain English and non-technical terms. Mr. Tucker does not believe that an agent can become a practical salesman of modern life insurance unless he understands the principles used in the calculation of reserves, premiums, cash values, other non-forfeitable values and dividends. In the next three lectures these principles are shown in their practical application to the everyday problems of selling life insurance.

Study Special Subjects

All remaining lectures are devoted to special subjects. Corporation and partnership insurance are analyzed and studied in all their details. Explanation is given of the use of life insurance for charitable or endowment purposes. Still

HABITUAL SALES TALK IS A NATURAL DEVELOPMENT

SAYS BUSINESS IS A GAME

**John P. Davies Advises Agent to Play
Part So as to Overcome Natural
Resistance**

At a recent sales convention held by Hobart & Oates, Chicago general agents for the Northwestern Mutual Life, John P. Davies, assistant superintendent of agencies, home office, spoke on "Effective Sales Methods." Answering the question whether a cold canvass should be memorized, Mr. Davies said: "You can't help but use a set canvass after you have talked to about 20 men. You unconsciously develop it." He stressed the importance of an exact formula. He stated that memorizing by reading is not as good as memorizing orally. When a person memorizes by reading he tries to visualize it when he recalls it and it sounds like a canned sales talk. Mr. Davies advised agents to make a play for a \$1,000 policy for the man who isn't especially interested and then when the agent is delivering the policy to talk for an extensive program.

Must "Play the Game"

"Life insurance is a game" said Mr. Davies. "You have to play the game so as to interest the prospect in the professional services you have to render. You have to anticipate natural resistance. People naturally resist salesmen because it is the instinct of self-preservation, as people are suspicious of anything strange. The best way to overcome an instinct is with another instinct. The instinct of curiosity is also strong, so you can overcome self-preservation by curiosity." Mr. Davies went on to say that he finds that one of his set canvasses which says that it won't cost more than a cigar a day usually brings the question, "What kind of a cigar?" Thus interest is gained and the prospect starts thinking. "Caution must be overcome also," said Mr. Davies. "If a man has enough money to buy life insurance he must be cautious in order to have accumulated it." This instinct can be overcome with the one of looking into anything that may prove to be profitable to himself or his family.

Place Children Before Wife

Mr. Davies advised the placing of education for children before the income to wife on the schedule for a complete program. He held that a lot of modern wives have created in their husbands a sense of revenge. Many a man would like to have his wife scratch a little after he steps out of the picture, and if he gives his money to the children the wife has to account to the probate court for expenditures. This appeals to many men. The wife in this case is named as contributive beneficiary. "By placing the children before the wife," added Mr. Davies, "you get more argument. That is what you want, argument; it makes him think." Mr. Davies pointed out that the agent must visualize for the prospect. The policy in itself is not very valuable. It is just a piece of paper with ink on it. The name on the dotted line is no longer a sale. It is only a means for an end. New methods in selling mean that the agent, instead of being a high pressure salesman, presents the results of over a half a century of experience in terms that are simple and clear to the prospect.

more time is given to study of both state and federal tax laws. This study is of great importance, declared Mr. Tucker, because ignorance of the tax laws has led agents to sell a vast amount of insurance to no good purpose because of misapprehensions in regard to the effect of various tax laws upon insurance premiums, payments, etc. There is hardly one application submitted for

(CONTINUED ON NEXT PAGE)

EXECUTIVES DISCUSS THE CAUSE FOR LAPSES

FINANCIAL NOT ONLY REASON

Failure of Policyholder to Understand and Careless Underwriting Con- tributing Factors in Lapses

One of the most difficult things that a life insurance executive must face is the problem of keeping the business on the books once that it is written. The inability to pay is the cause of most lapses but a more minute study shows that there are other contributing reasons. Robert F. Palmer, Chicago general agent for the Berkshire Life, says that borrowing on a policy is the first step towards a lapse. Loans are bad because the borrower spends the money and is then unable to pay it back. Loans should be discouraged. M. A. Welton, Chicago manager for the Columbian National Life, suggests that if the policy holder must borrow money, that he go to a bank and use the policy for security. Thus he is more apt to pay back the borrowed money than surrender the policy. Most companies have a system by which the unpaid premiums are taken care of by the reserves, but even then there is trouble in getting the policyholder to understand this arrangement.

Talk to Policyholder Personally

Mr. Weldon says that it is very desirable to talk to the man personally. It can't be explained by mail, as most men won't read these letters. If the policy has enough value, the agent should get in touch with the policyholder by telephone or, if possible, see him personally, and if he is weak the agent can sell him over again and explain the carrying over of the premiums. It is very necessary that the agents follow up the lapses during the 31 days of grace. If the agent is no longer in the employ of the company, office men should be sent.

E. C. Platter of the Massachusetts Mutual Life in Chicago, says the three outstanding causes of lapses are: 1. Policy is improperly written. 2. Doesn't fit the policyholder's case, or he cannot afford to carry that much insurance. 3. The policyholder doesn't understand the contract. He didn't realize what he was getting into when he signed it.

D. J. Scott, Chicago manager for the Sun Life, believes that lapses are caused by careless underwriting. If the policy is not properly sold and there are overstatements or understatements on the part of the salesman this evil is brought about. This cause for lapses can be remedied by more instructions to the agents. The agents should be well informed and know a great deal more about the policy than the prospect. Frequent agency turnover also causes lapses and the way to prevent that is by selecting men of the permanent type.

H. Thomas Head, director of agencies of the Western & Southern Life, in a recent speech said that many policyholders forfeit their policies because they believe there is a lack of interest on the part of the company. The more interest the company takes in collecting the premiums the more value the holder will give to his policy.

LARGE AGENCIES ARE DEVELOPING TRAINING (CONT'D FROM PRECEDING PAGE)

insurance to cover taxes that does not contain one or more serious mistakes, he said. In addition to the information imparted in the lectures, the students in the course are advised to read and study for themselves in such educational works as the Diamond Life Bulletin.

Upon the completion of the course the new agents set immediately to work under the direction and guidance of a supervisor. Unless they ask for assist-

REPORT INCREASE IN HEART DISEASE DEATHS

IS GENERALLY EXPERIENCED

Credited to Many Causes, Chiefly Infant Mortality Change and Living Conditions

Life companies are quite generally experiencing an increasing mortality from heart disease and causes closely connected with it. While the exact figures will not be available for some time, it is expected that the 1926 mortality rates will be about 4 percent higher than that of the previous year, contrary to the persistent decline that had been reported for a number of years previously, and a large part of this increase is credited to heart disease. This cause of death has become an increasingly important factor and in 1926 it showed a notable gain. It is now causing the companies some apprehension and is being closely watched in actuarial analyses.

Cite Many Causes

The cause for the increase in mortality from heart disease is variously regarded by different actuaries and medical directors and no one credits it to any single cause. It is felt that the vast reduction in infant mortality in recent years has been a considerable factor. The saving of many young lives of an inferior physical condition has resulted in an increase in the mortality at the older ages. This same reaction is encountered in other diseases of the declining years and heart disease is credited by some quite generously to this cause. Infant mortality has been greatly reduced, but it has added to the list of those whose physical condition is not of the best. The rapid development of sub-standard business has also been a factor, the acceptance of borderline cases and the encroachment of competition in some cases having brought many cases into the standard department that ordinarily would not have been accepted prior to the development of the sub-standard department. The general leniency in underwriting has caused many cases to be considered borderline and thus given the benefit of the doubt, whereas they formerly would have been refused insurance outright.

Probably a more important cause, however, in the minds of medical directors is the notable change in the mode of living of the average American. This change has been striking since the war and has been felt considerably since the early part of the century. The general prosperity has had its effect. The widespread use of the automobile has had a detrimental effect on health. It is claimed by some that the automobile is an aid to health in that it takes the motorist into the open, but this is more than counteracted by the reduction of exercise. The motor owning public, now very nearly representing the total population of the country, is rapidly forgetting how to walk. In addition to this the changed forms of recreation tend to be detrimental to public health. General participation in outdoor sports is not as popular as it was a decade or so ago. All of these combine to impair health and thus result in this notable increased mortality in heart disease.

ance, they are left to their own devices for the most part. Mr. Tucker is convinced that the best and quickest way to learn to walk alone is to try to walk alone. If they wish to remain with the Knight agency under a full-time contract, all new men must qualify by writing and paying for a certain amount of business within a certain specified period of time. That none of them over a period of years has yet failed except for reasons of health or other unfortunate circumstances speaks well for the efficacy of Mr. Tucker's methods of training new men.

YOUR OPPOR- TUNITY

DISTRICT MANAGERS GENERAL AGENTS

Splendid Inducements !

We've had Fifteen Years consistent growth and are now ready for a Broader Expansion Program.

Home Office Co-operation—up-to-date Policies.

Operating in Missouri, Iowa, Nebraska, Kansas.

Write us in confidence to see if our desires and Qualifications are Mutual.

A Clean Record—Ability—and a willingness to work hard are the most essential Qualifications.

OPPORTUNITY FOR DIRECT CONTRACT

Now Open for the Right Man with
an Agency

H. E. McPHERSON, Vice-Pres. & Secy.

**ST. JOSEPH LIFE
INSURANCE COMPANY**
ST. JOSEPH, MISSOURI

Provident Mutual
Life Insurance Company of Philadelphia
Pennsylvania — Founded 1865

The Provident has worked out a practical plan by which the Home Office, through an Educational Supervisor, is assisting in the development of new agents.

THRIFT

There are many stones in the unfinished structure of civilization, but thrift is its cornerstone.

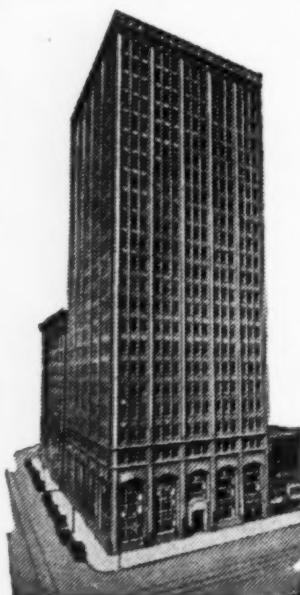
Thrift is only a short name for the systematic accumulation of wealth.

Until mankind first accumulated something beyond that necessary to sustain life, knowledge and progress were impossible. But Thrift, through the creation of wealth, opened the paths to knowledge and thereby led to progress.

Life Insurance is the great exponent of Thrift. It makes saving cooperative and adds to it the virtue of system.

This is its paramount public service.

HOME LIFE INSURANCE CO. OF NEW YORK



HOME OFFICE
F. & M. BANK BUILDING

Builders

Our principal strong point is the will to give a service which will be appreciated by our own staff and respected by others.

Operating in the States of Texas and Oklahoma, the Home Office is able to render a type of personal service to Agents that is unbeatable. Writing all modern policy forms, the Company offers choice territory to Agents of ability.

Our records show that policies were issued on 79% of the applications during 1925 within three days after reaching the home office.

Southern Union Life

OF

FORT WORTH, TEXAS

J. L. Mistrot
President

Tom Poynor
Vice-President

REVISED LIST OF SUPERVISING INSURANCE DEPARTMENT OFFICIALS

BY reason of the numerous changes in insurance commissioners in recent weeks, the list of supervising officials in the various states has undergone a material transformation. The list corrected to date, so far as appointments have been made, is as follows:

Alabama, F. N. Julian, Montgomery, Superintendent of Insurance.
Alaska, Karl Thelle, Juneau, Territory Secretary.
Arizona, Loren Vaughn, Phoenix, Commissioner of Insurance.
Arkansas, W. E. Floyd, Little Rock, Commissioner of Insurance and Revenue.
California, Chas. R. Detrick, San Francisco, Commissioner of Insurance.
Colorado, Jackson Cochrane, Denver, Insurance Commissioner.
Connecticut, Howard P. Dunham, Hartford, Insurance Commissioner.
Delaware, Charles M. Hollis, Dover, Insurance Commissioner.
District of Columbia, T. M. Baldwin, Jr., Washington, Superintendent of Insurance.
Florida, John C. Luning, Tallahassee, State Treasurer.
Georgia, W. A. Wright, Atlanta, Insurance Commissioner.
Hawaii, H. C. Hapai, Honolulu, Insurance Commissioner.
Idaho, D. C. Neffert, Boise City, Director of Insurance.
Illinois, George Huskinson, Springfield, Superintendent of Insurance.
Indiana, C. C. Wysong, Indianapolis, Commissioner of Insurance.
Iowa—R. A. Yenter, Des Moines, Insurance Commissioner.
Kansas—Wm. R. Baker, Topeka, Superintendent of Insurance.
Kentucky—S. M. Sautley, Frankfort, Insurance Commissioner.
Louisiana, J. A. Fortier, Baton Rouge, Chairman Insurance Commission.
Maine, W. D. Spencer, Augusta, Insurance Commissioner.
Maryland, C. D. Benson, Baltimore, Insurance Commissioner.
Massachusetts, Wesley E. Monk, Boston, Insurance Commissioner.
Michigan, Charles D. Livingston, Lansing, Insurance Commissioner.

Minnesota, George W. Wells, St. Paul, Insurance Commissioner.
Missouri, Ben C. Hyde, Jefferson City, Superintendent of Insurance.
Montana, G. P. Porter, Helena, State Auditor and Commissioner.
Nebraska, J. R. Dumont, Lincoln, Chief Insurance Bureau.
Nevada, Geo. A. Cole, Carson City, State Controller.
New Hampshire, John E. Sullivan, Concord, Insurance Commissioner.
New Jersey, E. Maxson, Trenton, Commissioner of Banking and Insurance.
New Mexico, W. B. Wagner, Santa Fe, Deputy Commissioner of Insurance.
New York, Jas. A. Beha, Albany, Superintendent of Insurance.
North Carolina, S. W. Wade, Raleigh, Insurance Commissioner.
North Dakota, S. A. Olness, Bismarck, Commissioner of Insurance.
Ohio, Harry L. Conn, Columbus, Superintendent of Insurance.
Oklahoma, J. G. Read, Oklahoma City, Insurance Commissioner.
Oregon, C. A. Lee, Salem, Insurance Commissioner.
Pennsylvania, Matthew H. Taggart, Harrisburg, Insurance Commissioner.
Porto Rico, J. G. Gallardo, Treasurer.
Rhode Island, P. H. Wilbour, Providence, Insurance Commissioner.
South Carolina, J. J. McMahan, Columbia, Insurance Commissioner.
South Dakota, G. H. Helgeson, Pierre, Insurance Commissioner.
Tennessee, Albert S. Caldwell, Nashville, Commissioner of Insurance.
Texas, R. L. Daniel, Austin, Commissioner of Insurance.
Utah, J. G. McQuarrie, Salt Lake City, Commissioner of Insurance.
Vermont, Robt. C. Clark, Montpelier, Commissioner of Insurance.
Virginia, Joseph Button, Richmond, Commissioner of Insurance.
Washington, H. O. Fishback, Olympia, Insurance Commissioner.
West Virginia, George W. Sharp, Charleston, Acting Commissioner.
Wisconsin, Milton A. Freedy, Madison, Commissioner of Insurance.
Wyoming, Harry A. Loucks, Cheyenne, Insurance Commissioner.

Record for 17 Years Shows How Constant Effort Gets Returns

A MOST interesting and illuminating record of the daily results of a hard-working, systematic canvasser for life insurance covering a period of 17 years has been made public by the New England Mutual Life. Horace Mecklem is a general agent of the New England Mutual Life in Portland, Ore. He entered the insurance business in 1905 and in 1910 he became city agent for a local life company. He was appointed to his present position with the New England Mutual Life Jan. 1, 1914. From Jan. 1, 1910, Mr. Mecklem has kept a daily record of his soliciting. The following tabulation shows what he has accomplished in the 17 years up to Jan. 1, 1927: Number of working days, 4,231; number of calls made, 23,232; number of applications, 2,102; total insurance, \$10,473,407; total premiums, \$396,994; total commissions, \$180,197; average value of a call, \$7.75; average value of a working day, \$42; average application, \$4,982.

Record for 1926

His record for 1926 is as follows: Number of working days, 222; number of calls made, 919; number of applications, 128; total insurance, \$885,842; total premiums, \$33,111; total commissions, \$15,635; average value of a call, \$17; average value of a working day, \$70; average application, \$6,920.

It will be seen that in the entire 17 years, with 4,231 working days, Mr. Mecklem wrote an application every other day, 2,102, with total insurance paid for of \$10,473,000. For the whole period the average amount of each application was practically \$5,000, whereas

Sentiment a Big Factor in Life Insurance Work Samuel B. Love Says

IF THERE is one business in which there should be sentiment, it is the life insurance business. This point is stressed by Samuel B. Love, manager at Richmond, Va., for the Mutual Life of New York, in the January issue of his agency bulletin, the "Commonwealth." In an editorial in extra big type on the front page, headed "Some Folks Laugh at Sentiment," he says:



S. B. LOVE

"I recall some years ago a very successful life insurance man, writing to me in response to a bit of sentiment, 'This is fine, but what has it to do with business?'"

"I accepted his challenge and told him what it had to do with business. He acknowledged his error. This gentleman has since retired from the insurance business, it is said, largely from a nervous breakdown."

"If there is one business in which there should be sentiment, it is the life insurance business. We are dealing with men and women who are protecting their loved ones."

"You must love your business, or you"

(CONTINUED ON NEXT PAGE)

for 1926 alone this increased to almost exactly \$7,000. Total commissions earned, which include only first year commissions without renewals, were \$180,197, which is at an average annual rate of \$10,600. In 1926 this figure had advanced by over 50 percent to \$15,635.

NEW ENGLAND MUTUAL MAKES OBSERVATIONS

COMMENTS ON INSURANCE

**Declares That This Great Plan of
Beneficence Has Contributed Greatly
to Benefit of Mankind**

The board of directors in the annual report of the New England Mutual Life make some comments on life insurance in general. The report says:

"The business of life insurance companies has been long regarded as a barometer of general business. Hence the fact that the transactions of the companies during the past year have continued to increase may be taken as an index of growth and prosperity. Therefore it is not surprising to find that our country, possessing a wealth of natural resources, and inspired by a passion for achievement, has just closed another year of material progress.

"This has enabled our people to enjoy a more generous degree of comfort, it

has given encouragement to thrift, and thus has brought about more desirable conditions making for the common welfare.

"It has also created a greater appreciation of the value of life insurance as a protection for the family, and as giving stability to industrial and commercial enterprises. The institution has continued to grow in usefulness and in public esteem.

Payments Are Enormous

"The payments to policyholders and their beneficiaries during the year reached the unprecedented sum of \$1,350,000,000. Death claims were paid to the beneficiaries of deceased policyholders, who numbered approximately one-third of the total deaths in the United States. Thus, not only have the companies paid death claims on one-third of the people who died, but those insured represent one-half of the living. There is no more convincing proof of the remarkable growth of American thrift.

Conserved Human Life

"We have made headway in the conservation not only of natural resources, but of the infinitely more valuable asset, human life. While there is much yet to be done, life insurance companies are benefiting their members by their earnest efforts to promote personal health and to prolong life. This is accomplished by giving the public information on health matters, by free medical examinations, and by encouraging scientific efforts to prevent disease. Thus they add to their work in promoting thrift, the important value of health, for thrift without health is impossible.

Confidence Is Developed

"The development of life insurance to its present proportions reflects not merely our national prosperity and the thrift motives of our citizens, but it enjoys as the necessary condition of its existence, confidence—the vital breath of progress. The forces that make a nation strong and prosperous, the powers of self-reliance and industry, with

CASH SHOULD BE TAKEN WITH THE APPLICATION

ADVANTAGES POINTED OUT

**Union Central Life Shows the Benefit
Accruing to Those in the
Transaction**

The Union Central Life emphasizes in its agency bulletin the necessity of getting cash with applications or getting some settlement at the time the application is taken. It states that several millions could have been added to the year's business had the cash with application plan been adhered to. It says that on Jan. 1 there were several millions of unsettled business pending. The Union Central declares that this method reacts with favorable effect on the applicant, agent and company. It asserts that no effort which the agent can devote to obtaining a settlement with the application can be regarded as time wasted. It sums up the arguments showing the beneficial effect of taking cash with the application:

Effect on the Applicant

1. Hastens the medical examination.
2. Saves time.
3. Gives him protection at the earliest possible moment. Many men have died in the period between the writing of the application and the delivery of the policy.

Effect on the Company

1. Enlarges its usefulness by increasing the business.

foresight—all of which have been exhibited in the building of our nation—find in it a fitting expression of their beneficent influence. Life insurance is the safest of all the great modern undertakings of our social system, because it rests on the broadest generalizations and the most careful study of experience."

2. Decreases expenses and thus increases the services rendered.
3. Changes "new" business rapidly into "old."
4. Improves the selection of business.
5. Cuts down cancellations.

Effect on the Agent

1. Increases his self-confidence.
2. Saves his time.
3. Makes amendments for increased lines easier.
4. Prevents possible switching of business by other agents.
5. Increases his business and friends.
6. Saves the reselling of policies.

Effect on the Public

1. Establishes a reputation for the agent in the community, which causes a favorable comment.
2. Prepaid business influences other immediate business through the personal checks of prominent men.
3. Makes enthusiastic policyholders who readily endorse the agent and the company.

Bankers Life's Mortgages

The Bankers Life of Iowa had, on Dec. 31, \$64,256,447 in first mortgage real estate loans. The total appraised value of the security behind these loans was \$211,568,635. Of the total of first mortgage loans, approximately \$46,000,000 was in the company's home state of Iowa. Of all the Iowa loans about \$39,000,000 has been loaned on rural property and the remaining \$7,000,000 on urban real estate.

Seek Life Insurance Reserves

A resolution has been introduced in the New York assembly at Albany, to place a legislature on record as favoring the requirement that large life insurance companies invest part of their assets to the amount of \$25,000,000 in a project of the state housing board to demolish 20 blocks in the slum districts of New York City and construct modern sanitary apartments. The measure was proposed by Assemblyman Louis A. Cuvillier of New York.

SENTIMENT A BIG FACTOR IN LIFE INSURANCE WORK (CONT'D FROM PRECEDING PAGE)

will not succeed. This is the message for 1927—to you who in 1926 succeeded or did not succeed.

"The Richmond office is a very fascinating place to me. It is the culmination of early childhood dreams, when in the garret we played 'office,' a dry goods box for a desk.

"The Mutual Life and the Richmond agency occupies my time and attention. Your company is the best company! Your agency is the best agency! Your business is the best business!

"To make a success in 1927, you must love your business, and put into it all of your enthusiasm!"

The New Educational Department of The Union Central Life Insurance Co. CINCINNATI, OHIO

Offers Unparalleled Opportunities For Ambitious Men

"We Insure Your Success"

Communicate with—

DARBY A. DAY, Manager

Illinois Merchants Bank Building

CHICAGO, ILL.

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

O. J. ARNOLD, President

Minneapolis, Minn.

PROFIT SHARING INSURANCE—LOW NET COST

42nd Year—A Year of Progress

Gain in Paid-for Insurance in Force, over 22 Million Dollars	10%
An increase over 1925 gain of over 5 Million Dollars	30%
Admitted Assets increased over 3 Million Dollars	15%
New Insurance Written, Paid-for basis, over 44½ Million Dollars	
An increase of 2½ Million Dollars	6%

Financial Statement—December 31, 1926

ASSETS

Bonds, Government, State, County and Municipal	\$3,146,701.90
Railroad, Public Utility, etc.....	4,156,691.55
	\$ 7,303,393.45
First Mortgage Loans (City and Farm).....	9,281,138.38
Collateral Loans	228,402.15
Policy Loans	4,244,766.95
Real Estate	1,542,829.45
Premiums, Due and Deferred	1,088,834.00
Cash on Hand	622,344.11
Interest Due and Accrued and Other Assets....	564,757.30
Total.....	\$24,876,465.79

LIABILITIES

Reserve on Policies	\$20,792,335.00
Death Claims Due and Unpaid.....	None
Claims Reported but Proofs of Loss not Received	221,552.52
Present Value of Death, Disability, and Other Claims Payable in Installments.....	337,609.18
Premiums and Interest Paid in Advance.....	163,422.38
Reserve for Taxes Payable in 1927.....	191,774.00
Profits Payable to Policyholders in 1927.....	999,223.78
All Other Liabilities	135,405.57
Reserve for Real Estate Depreciation, and Mortality, Disability, and Investment Fluctuation	312,496.71
Contingency Reserve	400,000.00
Unassigned Surplus	1,322,646.65
Total.....	\$24,876,465.79

234 Million Dollars Insurance in Force

POSE BARRY DIETZ, Pres.
G. O. SANBORN, Vice-Pres.

W. J. ALEXANDER, Secy.
F. T. ANDREWS, Med. Dir.

GLOBE MUTUAL LIFE INSURANCE COMPANY

Incorporated under state
laws of Illinois 1895

CHICAGO

T. F. BARRY,
Founder

19 PER CENT NET AVERAGE GAIN FOR 1926 in all branches

THIS IS MADE POSSIBLE ONLY BY THE UNEXCELLED
SERVICE THE GLOBE GIVES TO ITS POLICYHOLDERS

Home Office,
431 S. Dearborn St.

Telephone
Harrison 1991

ASSESSMENT PLAN ON THE ROCKS YEARS AGO

CLAIM RATES ARE ADEQUATE

Do Not Know How Much Is Needed
and Therefore Cannot Judge

Rates

Question—Will you please send me any pamphlets you may have on the unsoundness of assessment insurance or anything along these lines?

Answer—We do not have any material on the unsoundness of assessment insurance and do not know where it can be obtained. We do not know how the regular companies deal with assessment competition. The fact is the assessment companies and low rate fraternal have been having such a hard time of it for many years that the matter of dealing with them has not been serious.

Assessment Theory Abandoned

As a matter of fact the assessment principle in life insurance went on the rocks a quarter century ago. No assessment company and no fraternal order will nowadays speak of assessments as a resource. Their contention always is that their rates are adequate.

If you find any agent or policyholder still believing in the assessment principle, the simple answer is that assessment life insurance had its chance and failed. There were hundreds of companies and not one of them survived except by changing over to what was pretended was an adequate rate basis. No matter how one theorizes it is found that as soon as an assessment company or order reaches a point where the losses can catch up with it, it will fail or the members will find their insurance is not guaranteed.

Claim Rates Are Adequate

The companies that are organized under assessment laws and still operating generally claim that they have to organize under such laws because the premiums required under the old line laws are excessive, and the only other way to operate is under the assessment laws. They pretend that while their rates are not as high as the old line rates, they are high enough. They deny the assessment principle and speak of the "safety" clause when they cannot ignore it.

There is no way of meeting that argument except by common sense. If the old line rates are too high, why do the states require them? There are many radical states. Great sums of money are accumulated by the old line companies and radicals often aim at big capital. Why does not some radical state lower the requirements on life insurance so that no company will have to charge more than is necessary? Such plain common sense ought to satisfy almost anyone who is inclined to believe that the old line rates are excessive.

Ignorance Is Dishonest

Coming to any particular company that claims its rates are adequate, although less than the old line, how do they know they are adequate? If they are providing rightly for the future, how do they know how much to provide? They are collecting in premiums more than enough to pay the death losses each year. How much more are they collecting, and what do they do with the excess? Surely if they know what they are doing they know how much they ought to set aside on each policy, and by adding them all up they know how much they should set aside on all their policies. How much is it? How much should they set aside for last year, and how much did they? If they do not know, then they are cheating, because they tell their policyholders that their rates are sufficient. How can they tell them that if they do not know themselves? If they do know, is there any reason why they should not tell? If they do not know, can they

HAVE NO DIFFICULTY WITH NON-MEDICAL PLAN

GUARDIAN LIFE SATISFIED

Get Good Results by Exercising Care
in Granting Privileges to the
Agents

NEW YORK, Feb. 10.—Non-medical business presents its peculiar problems, but so far as the Guardian Life of New York is concerned, no difficulties have been created by abuses on the part of those agents privileged to write that class of business, according to Inspector of Agencies James A. McLain. Intent upon maintaining a high standard of underwriting, the company grants the non-medical privilege only to members of the Leaders Club, the qualification for which is a paid-for annual production of at least \$125,000, and to graduates of the company's educational course. All graduates of this correspondence course have taken the full instruction offered, have passed a written examination to secure a diploma, and have then paid for \$25,000 on a minimum of six lives within three months.

Method Is Successful

The Guardian Life has now been writing non-medical business about two years, and this method of selecting agents to whom to grant the non-medical privilege has been so successful that in that time the company had had to take away the privilege from only one agent. In this particular instance the agent was giving the company non-medical business exclusively while writing large amounts of medical business in other companies. Feeling that under such conditions selection was very much against it, the company withdrew the agent's non-medical privilege. A few agents, however, have been released from their non-medical pledge at their own request. These few agents were all large producers who claimed that they could not be bothered with and were actually handicapped by the pledge requiring them to write all policies below \$2,500 up to age 45 on a non-medical basis.

Show Good Selection

That the company's agents do not abuse the non-medical privilege and, what is better, really use good judgment in writing that class of business, is evidenced by the fact that the home office has requested medical examination on less than 5 percent of the non-medical applications submitted. While still comparatively small, more than 6 percent of the company's business in 1926 was written on the non-medical basis.

honestly say to anyone that their rates are sufficient?

The truth is they do not know, not one of them. You have seen contractors go broke because they took a job at less than cost. They started out well enough perhaps and got part of the work done, using any money they had themselves and getting credit for the rest as far as they went. That is the way with assessment companies. They get credit from their policyholders, that is, the policyholders pay in money year after year beyond current needs. A contractor very soon finds out whether he can complete a job or not. An assessment company takes a contract to pay life insurance a quarter century or a half century in the future. It will not be able to complete the job, but in the meantime the policyholders keep on extending it credit in the way of annual premiums in excess of current losses.

The evidence of all this is that the assessment companies do not know how much money they need. Not one of them has ever made public a scientific

(CONTINUED ON NEXT PAGE)

CHANGES IN DISABILITY POLICIES

Brief Review of News About Policies, Riders and Rates, Which Are Given in Full in the Policy Analysis Section of The A & H Bulletins, Published Monthly by The National Underwriter Company.

MASSACHUSETTS ACCIDENT

The Massachusetts Accident has announced that hereafter the maximum amount of insurance to be issued under the non-cancellable plan will be \$50 per week. At the present time the limit is \$100 per week.

COMMERCIAL CASUALTY

The Commercial Casualty has issued a new form of its "unexld disability" policy. The principal change is in the wording of the insurance clause to cover accidental bodily injuries and in the total and partial disability provisions which allow two weeks for development of total or partial disability. The policy is written with elimination period applying to the illness coverage.

This company has issued a new policy known as the "simplex disability policy." This policy which is written with the accidental bodily injury insuring clause, provides principal sum, pays monthly indemnity for accident for not exceeding five consecutive years and for not

exceeding six consecutive months for delayed total and partial disability. One-half monthly indemnity additional for not exceeding two months is to be paid as hospital indemnity or nurse's fee. The illness coverage carries a seven days' exclusion period and for total disability confining, pays monthly indemnity for not exceeding 12 months. A permanent disability provision is included and the policy is written on the non-cancellable term basis.

SENTINEL LIFE

The Sentinel Life has announced that its accident and health policies will be identical in form and rates with those of the Employers Indemnity.

Without any increase in premium above the old rates, the Employers Indemnity and the Sentinel Life have announced that they will write non-cancellable income form NC-800 C providing one-half monthly indemnity additional for hospital expenses for not exceeding three months and also contain-

ing a waiver of premium clause. The waiver of premium is in effect during continuous total disability beginning six months from receipt of proof of loss showing total disability. Heretofore the company has made an extra charge for the hospital indemnity and the policy did not contain the waiver of premium clause.

GENERAL ACCIDENT

By reason of the losses experienced on that class, the General Accident has decided to issue commercial health insurance only with a waiting period of one or more weeks. It has also announced a substantial reduction in the health rate under its leading policy forms for the use of elimination periods of two weeks and four weeks respectively.

The General Accident has discontinued "New Utopia" disability policy.

OHIO NATIONAL LIFE

The Ohio National Life announces a slight increase in its rates for accident and health. More than 200 new accident and health occupation classifications have been added to the occupation classification schedule.

MARYLAND CASUALTY

The Maryland Casualty has announced that its accident and disability policies are extended to cover air travel accidents for minimum indemnities if travel is on lines between regular established air ports and machines are driven by licensed pilots. No charge is to be made for this extension of coverage. This extension applies to all accident and disability policies now being written by the Maryland except the "popular accident," the "general accident" and the "special automobile accident."

INTERSTATE BUSINESS MEN'S

It is announced the Interstate Business Men's Accident of Des Moines has withdrawn its "day-by-day" disability policy.

ZURICH

The Zurich has added a number of options to its special professional accident policy. The policy is issued in principal sums of \$5,000 to \$50,000 with percentages of the principal sum for various accidents. Option A covers loss in respect to hands, fingers and thumbs only, by accident only, disease excluded, but includes a broad coverage of septic infections by inoculation. The rate for this option is \$1 per \$1,000. Option B, with a rate of \$1.60 per \$1,000, covers loss of hands, fingers, thumbs, arms, legs, feet and eyes by accident only, disease excluded, but also includes broad coverage of septic infection by inoculation. Option C, with a rate of \$3 per \$1,000, covers hands, fingers and thumbs, including professional loss by both accident and disease, embracing all diseased conditions or other infection, whether referable to disease or accident. Option D, with a rate of \$4.80 per \$1,000 covers hands, fingers, thumbs, arms, legs, feet and eyes, including professional loss by both accident and disease. The indemnities are payable in a lump sum upon the occurrence of the loss specified without taking into account the insured's occupation, irrespective of the extent to which the insured may or may not be disabled from the performance of his duties. Loss as specified is covered on occurring within one year from the date of accident or beginning of sickness or disease.

BUSINESS MEN'S ASSURANCE

The Business Men's Assurance has increased its rates for the guaranteed renewable disability policy and has also grouped classes B and C together, instead of grouping A and B together. Experience had shown that rates for class B must necessarily be higher than those for class A and it was considered

ASSESSMENT PLANS ON THE ROCKS YEARS AGO (CONT'D FROM PRECEDING PAGE)

accounting or any mathematical estimate of needs. They may be started by life insurance agents who get the repute of being insurance men, but they are like laborers who work for a contractor and then go out and take a contract to build a city hall at one-half of what a regular contractor would demand.

Until an assessment company can show a policyholder how much it needs or how much it thinks it needs, and how much it ought to put aside each

year, and how much it does put aside each year, it is hard to see how any sensible person can entrust it with money.

There are several fraternal on a good legal reserve basis, so it is necessary to distinguish among fraternal.

There are assessment companies which make some pretense about charging a certain percentage of the old line rates. That means nothing. Unless they know what they need and can show a balance between what they need and what they have set aside, they are in a state of darkness.

The Pacific Mutual Life Insurance Company of California

(Founded 1868)

The ANNUAL REPORT of this Company

for 1926 shows that its FIFTY-NINTH YEAR was the most prosperous it has yet enjoyed.

ABSTRACT FROM ANNUAL STATEMENT

As of December 31, 1926

Admitted Assets (Gain of \$12,660,413)	\$117,113,076
Cash Income (Gain of \$2,349,447)	34,831,844
Total Surplus, including Capital (Gain of \$1,147,149)	13,061,547
Reserves on Policies (Gain of \$11,059,258)	101,093,701
Premium Income, Life (Gain of \$1,188,544)	21,520,912
Premium Income, Accident (Gain of \$406,993)	5,757,295
Dividends Paid or Assigned to Policyholders (Gain of \$496,853)	2,735,088
New Life Insurance Paid for	94,427,632
Total Life Insurance in Force (Gain of \$42,286,164)	628,535,911
Total Paid Policyholders (Gain of \$755,478)	13,150,392
Paid Policyholders since Organization	131,704,502
Average Rate of Interest Earned—6.58%	Death Rate Actual to Expected—43.6%

Home Office, Los Angeles, California

MANAGER FOR CHICAGO WANTED

*A Real Opportunity for a
Real Life Insurance Man*

Company

One of the younger Mutual Companies noted for **LOW INITIAL PREMIUMS** and **LARGE ANNUAL DIVIDENDS**, with a fine record of Low Net Cost and all around good service to Policyholders, comparing favorably with any Company.

Its policy contracts are modern and up to date.

Territory

Chicago and Northern Illinois

The Company is well established in Chicago, having about \$18,000,000.00 Insurance in Force in Illinois. Maintains office with full working equipment in Chicago.

Qualifications for the Job

Under 40, college graduate preferred, with established record for personal production. Ability to earn at least \$8500.00 per year. Must know how to think for himself and be able to depend on himself in finding men and in training them to sell Life Insurance.

If you are ambitious and want a chance to show your ability and establish a permanent connection, with the hearty co-operation and all the help possible from the Home Office, write, setting out the facts about the things you have done, and give your references.

We will arrange for a personal interview with the President of the Company.

*Address U-87, National Underwriter
Chicago*

best to group class B with class C. This company has omitted from its policies limitations referring to venereal diseases and from its "accumulative disability" policy for women, the limitation referring to diseases in organs of the body not common to both sexes.

INTER-OCEAN

The Inter-Ocean has changed its new "monarch disability" policy to contain the accidental bodily injury insuring clause and has also modified the total disability clause to allow 30 days for development of total disability.

MARYLAND CASUALTY

The Maryland Casualty has added a weekly indemnity option to its "perfection accident" policy, which gives the beneficiary the right to take weekly indemnity for a specified period instead of the principal sum amount and has extended time limit for hospital or graduate nurse benefits to 20 weeks instead of 10 weeks, as heretofore. Hospital indemnity and nurse's fees are to be payable in addition to surgical operation fees. The partial disability provision under illness coverage of the "perfection disability" policy has been discontinued.

METROPOLITAN CASUALTY

The Metropolitan Casualty has increased the rates in the extra preferred classification for the "Metropolitan star accident" policy and the "Metropolitan star disability" policy. There is a general increase in rates for the "Metropolitan star disability" policy and "Metropolitan star income disability" policy.

PROVIDENT LIFE & ACCIDENT

The Provident Life & Accident has discontinued issuing the "ideal" and "faultless disability" policies and is issuing instead the "modern accident and disability" policies, new forms.

UNITED STATES CASUALTY

The United States Casualty has issued the "new Uscasco" accident policy. This is a special policy written for \$1,000 principal sum and \$75 monthly indemnity only and written only one policy to a person. It provides monthly indemnity for period of total disability due to accident, partial disability for three months, hospital indemnity or nurse's fees to the amount of one-third of the monthly indemnity for two months and offers elective indemnities and surgical operation benefits. The feature of the policy is quintuple indemnity for principal sum losses if the injury is sustained "while the insured is riding in or on any passenger automobile (including taxicab, omnibus, jitney and livery automobile); while the insured is walking on or across any public highway and by being struck or run over by an automobile; while the insured is a passenger and is riding within a railway passenger car or street railway passenger car provided by a common carrier for passenger service; while the insured is a passenger and is in or on a passenger steamboat provided by a common carrier for passenger service; while the insured is a passenger within a passenger elevator (mine elevators excepted); in consequence of the collapse of the outer walls of a building while the insured is therein; in consequence of the insured being struck by lightning."

ABRAHAM LINCOLN LIFE

The Abraham Lincoln Life has discontinued issuing its "double X income protection" policy, "supreme income protection" policy, "supreme elimination period" policy and "complete coverage" policy. It has added the "superb accident" policy. This company is omitting standard provision 16 from all of its contracts except the "superb health policy," the "income guaranty health" policy and the "best automobile accident" policy among those written on commercial risks. Its contracts are cancellable only at the end of terms for

Stock Quotations of Western Companies

H. W. CORNELIUS of Charles Sincere & Co., the brokerage house of Chicago, has compiled the following list of insurance stock quotations for western companies:

Stock	Par	Bid	Asked	Div. per Sh. %
Abr. Lincoln Life	20	30	..	5
Agricult. Life	50	40	..	..
Amer. Bankers	2 1/2	75c	1 1/4	..
Amer. Druggists	25	75	..	12
Central Life, Ill.	20	40	48	8
Chi. Fire & Mar.	10	11	15	..
Chicago Nat. Life	10	20	..	..
Col. Nat. Fire	25	15	20	..
Conservative Life, Ind.	10	5	..	..
Cont. Life, Ill.	10	53	..	16
Cont. Casualty	10	45	50	16
Continental, Mo.	10	38	..	10
Detroit Life	50	110	130	8
Detroit Nat. Fire	25	18	24	4
Des Moines Life & Annuity	10	7	8 1/2	..
Dubuque F. & M.	100	..	20	20
Farmers Nat.	5	16	20	..
Federal Life	100	..	10	10
Federal Surety	100	100	150	..
Gen. Cas. & Sur.	50	..	..	..
Grange Life	50	..	..	12
Gt. Amer. Cas.	100	65	75	..
Great Lakes	10	..	..	..
Illinois Fire	100	125	..	10
Internat'l Life	25	68	72	12
Inter-Ocean Re-Insurance	100	..	..	..
Interstate Fire	25	18	22	4
Iowa Natl. Fire	100	110	125	8
Iroquois Fire	50	40	60	..
Lincoln Casualty	25	..	18	..
Lincoln Nat. Life	10	60	..	20
Metropolitan Fire	10	9	11	10
Michigan F. & M.	50	95	..	14
Milwaukee Mech.	10	34	38	22
Mo. State Life	10	95	105	12
Montana Life	10	..	..	8
North Amer. Life	50	165	..	20
North. States Life	10	12	..	8
N. W. Cas. & Sur.	100	85	..	..
New World Life	10	15	17	8
Ohio Nat. Life	10	30	35	8
Old Colony Life	10	..	..	6
Old Line Life	10	30	35	15
Oregon Life	1000	..	..	7
Peoria Life	10	40	..	15
Pioneer Fire	20	15	..	..
Presid'tial F. & M.	25	..	..	..
Security Life	10	12	..	12
Southern Surety	100	225	235	16
Stand. Am. Fire	25	13	16	..
St. Paul F. & M.	25	100	..	14.4
Union Cent. Life	20	..	..	6
Western Un. Life	100	145	..	8
Wis. Nat. Life	10	14	..	8

*Extra stock dividend 100 percent.

which premium has been paid. The company has also changed its contracts to pay 20 percent additional principal sum where premium is paid on an annual basis instead of 10 percent as heretofore.

METROPOLITAN LIFE

The Metropolitan Life has extended for the first four months of 1927 the same dividend basis on accident and health policies as existed last year. After tabulating and examining results for 1926, a further announcement on this subject may be expected from the Metropolitan.

URGE SERVICE SALES INSTEAD OF NET COST

(CONTINUED FROM PAGE 9)

him in the face, he is far more apt to lapse than if he rather looked on it as a bill for a certain needed service. He said that an agent will undoubtedly encounter net cost competition many times, as many prospects look upon the purchase of life insurance at the outset somewhat as the purchase of any other commodity. The prospect may definitely ask for a certain quotation in order to make his purchase on a competitive basis. He said that he never complied with such requests, however, making it a point to shift the basis of competition to any other basis than that of net cost. He said that he was unusually successful in it and found the prospects welcomed the shift from a pure cost comparison, when they understood the fundamentals of life insurance.

SOME RECENT COURT DECISIONS IN THE FIELD OF LIFE INSURANCE

Rescission—Held that acceptance by the company's agent of the second annual life premium estopped the company from setting up fraud in the procurement of the policy and hence would defeat an action to rescind the policy. *Travelers vs. Pomerantz*, Supreme Court, New York.

Statements in Application—Held that statements made by the insured in his application for the policies and in a subsequent application "for establishing" these policies, which were not made part of the policies of insurance thereafter issued, could not be used in defense of a suit on same. *Fisette vs. Mutual Life of New York*. Supreme Court, Louisiana.

Effect of Ill Health of Insured at Time of Issuance of Policy—Where insured was suffering from a serious internal ailment at the time the policy was issued and where he stated he was in good health, not making such statement in bad faith however, held that a verdict directed in favor of defendant was not error. *Scharlach vs. Pac. Mut. Life*, U. S. Circuit Court of Appeals, Fifth Circuit.

Revival of Policy—Held that where a life policy had lapsed for non-payment of premiums and an application was made for a revival, the company was not liable where decedent died prior to acceptance of the revival application. *Baraca vs. Metropolitan Life*, Supreme Judicial Court, Massachusetts. D. Nov. 24.

When Company Estopped from Setting Up Non-Payment of Premiums—Where it appeared that the company had advised the insured that new rates were going into effect and it would communicate with him further and he thereafter failed to pay two monthly premiums, and died during this time, held that the company was estopped from setting up such non-payment where it had failed to give notice of the new rate schedule. *Homesteader's vs. Holden*, Court of Civil Appeals, Texas.

Burden of Proof—Held that in an action to cancel a policy of insurance issued to a minor on the ground of fraudulent representations and statements, it was incumbent under the statute for plaintiff not merely to prove by a preponderance of evidence but to clearly prove that the answers given in the application were false and knowingly so. *Migletz vs. N. Y. Life*, Ct. of Appeals Ohio, 7th Dist.

Where Insurance Company Issued Binding Premium Receipt for Premium on Life Policy Held Liable Despite Its Rejection of Application Where Notice of Rejection Did Not Reach Insured Because of Death—In *Stanton vs. Equitable Life of New York*, supreme court of South Carolina, 135 S. E. 367, action was brought to recover on a policy. The company denied liability on the ground that no policy had ever been issued. The facts involved were substantially as follows:

The insured applied for a policy of \$25,000 in October, 1917. In this application the insured frankly stated that he was a drinking man. For this reason the company rejected the application.

One year later in 1918, the agent again took up the matter of insurance with the insured. The insured thereupon filed a second application and paid the first premium thereon. The insured was thereupon given a receipt which stated in effect that he was insured from the date thereon, subject to the terms and conditions of the company. The company rejected this application, but before notice of rejection had reached the insured he died.

On this state of facts the trial court

rendered judgment in favor of the beneficiary, holding there had been a valid contract of insurance at the time of the insured's death. On appeal the higher court in reviewing the record, and in affirming this judgment, said:

"There was not a word of testimony that the deceased had taken a single drink of intoxicant since his previous application in 1917. There was evidence that the applicant had not taken a drink of intoxicant since 1917. Knowing all of the facts, the company induced him to apply in 1918, took his money, gave him a receipt declaring the applicant insured from the date of the receipt, subject to the terms and conditions of the company. If there was no contract at all, why state that the insurance should take effect from the date of the receipt which was also the date of the payment of the premium?"

"The court charged the jury that the application signed by the applicant and the receipt signed by the agent of the company, if they believed the agent of the company signed the receipt, made the contract between the parties, and, as the applicant was bound to take the policy, so the company was bound to give the policy if the applicant measured up to the standard. This was correct. The judgment appealed from is affirmed."

Designation of Beneficiaries. Held that where a beneficiary has an insurable interest at time of issuance of policy, the designation of such beneficiary will remain valid throughout, even though such interest be subsequently terminated by divorce or otherwise, unless there is express provision in the policy to the contrary. *Walden vs. McCollum*, Sup. Ct., Arkansas.

Where insurance company did not make the application a part of policy as required by statute, held that it was incompetent in evidence as proof of any alleged answers made therein. *Nat'l Life & Acc. Ins. vs. Wallace*, Ct. of Appeals, Ky. Dec. 14.

Effect of Repudiation by Company. Where the insurance company repudiated the insurance policy after 23 years, held that insured was not entitled to all payments which he had made, as he had been protected for the 23 years. He was entitled to the value of his policy as of time of surrender. *Security Mutual vs. Harwood*, U. S. C. C. A., 1st Cir.

Assignment—Held that notice to a life insurance company of an assignment of policy is not necessary to validity of the assignment. *Wright vs. Eureka Md. Assurance*, Ct. of Appeals, Md.

Change of Beneficiary—Held that a beneficiary has a vested right in a policy and the company cannot waive rights vested in another. Where a change of beneficiaries has not been made in accordance with the policy the company is liable to the original beneficiary. *Clark vs. Metro. Life*, Sup. Jud. Ct. Me.

Payment of Premium Note—Held that plaintiff was entitled to recover on a policy where the premium was paid by acceptance of a premium note. There was no proof to show that non-payment of this note was intended to operate as a forfeiture of the policy. *Kretzinger vs. Mo. St. Life*, App. Ct. of Ill. 3rd Dist.

Evidence. Held that it is reversible error to admit evidence of testimony of physicians who attended insured, since section 352 of the Practice Act prohibited such testimony. The introduction in evidence by plaintiff of proof of death signed by attending physician does not constitute a waiver of the provisions of this section. *Acee vs. Metrop. Life*,

Premiums once reduced are permanently lower

War, Flu or other catastrophe can not raise them even to their original level as would be the case in "participating" insurance if "dividends" were decreased or passed.

Do you know of any non-participating policies which provide for sharing in mortality savings and excess interest earnings? Premiums have been reduced under several forms of policies since 1919 and this unique feature is now regularly embodied in all forms of the low-rate non-participating policies issued by the

FEDERAL UNION LIFE

Home Office—Cincinnati, Ohio

LIFE + ACCIDENT + HEALTH

What About The Year—1927?

That is the question many agents are asking themselves.

All Companies have good policies, competitive rates and operate under the same laws.

The Company that can give you the best service, and will help you write the most business is the one to choose.

The Liberty Life offers to agents:

Prospects; Illustrated Pre-approach and Follow-up; Local Agency Connections; Special Campaign to Conserve Business and to Increase Renewals.

Agency openings in Kansas, Missouri, Nebraska, Arkansas, Illinois, California, Texas, Colorado, Wyoming, Washington, Oregon and Nevada.



The LIBERTY LIFE INSURANCE CO.

LIBERTY LIFE BLDG.
TOPEKA : KANSAS

CHAS. A. MOORE, Vice Pres. and Manager

"LIBERTY LIFE AGENTS DRIVE SORROW FROM TOMORROW"

Selling Life Insurance with the help of Direct Mail Advertising

"YOU can double your Life business," we told our Field Force, "by using our Direct Mail Advertising System."

And we proved it, by actual figures showing the results of a test campaign in which the average production of those agents who used the System right, was about three times their average production the preceding year.

So, "You can double your Life business," was a conservative statement.

Our Direct Mail co-operation is only one feature of our policy to place at the disposal of our agents every possible tool which has been found to help in getting business.

This Company has general agency openings in: Illinois, Iowa, Indiana, Ohio, Minnesota, Missouri, Kansas, Oklahoma, Nebraska, Wyoming, South Dakota, Montana and Colorado. Any producer of Life or Accident and Health Insurance, who is not at present under contract with any other company, will do well to discuss things with us.

Great Northern Life Insurance Company

HOME OFFICE: :: :: MILWAUKEE
CHICAGO OFFICE: 110 S. DEARBORN ST.



Measure Your Prospect List By the Classes Of Insurance Written - - -

This Company offers additional prospects by issuing policies on men, women and children. With the exception of the disability clause, women are written on the same basis as men and our "CHILD'S 20 PAY LIFE" is a great favorite.

Maybe you have overlooked this most profitable class of prospects. THINK IT OVER. WOMEN AND CHILDREN ADDED TO YOUR LINE WILL TRIPLE YOUR PROSPECT LIST.

Liberal Agency Contracts

Good Territory in

ILLINOIS, OHIO and TEXAS

KASKASKIA LIFE INSURANCE CO.

HOME OFFICE

SHELBYVILLE, ILLINOIS

Sup. Ct. App. Div., N. Y., 4th Dept., Jan. 6.

Renewal. Where policy of life insurance provided by its terms that it would expire in one year unless renewed, held that it was necessary to allege in the claim thereon that said policy had been renewed. *Felt vs. Continental Cas., Dist. Ct. of U. S. East. Dist., Penn.*

Change of Beneficiary. Decedent had named his wife as beneficiary in the policy. He later instituted divorce proceedings and requested the policies so as to change beneficiaries. She refused to deliver same to him. He made an assignment to his father on insurance company's form. Held that the father was entitled to the proceeds under the policy since decedent had done all that he could possibly do to change the beneficiary and had made a valid assignment. *N. Y. Life vs. Cook, Sup. Ct. Mich.*

Fraudulent Concealment. Held that where decedent fraudulently concealed in answer to direct questions that he had spent three years in a tuberculosis hospital, and there was no dispute as to the facts, a verdict should be directed for the defendant. *Klapholtz vs. N. Y. Life, N. Y. Sup. Ct. App. Div. First Dept.*

Failure to Pass Upon Application. Where an insurance company has solicited and received an application and premium for insurance, held that it is under a duty to pass upon same within a reasonable time and will be held liable in damages for negligent delay. *Brown vs. Missouri State Life, Sup. Ct. Oklahoma, D. Dec. 21.*

Suicide. Held that in an action on a policy of life insurance where suicide of deceased is set up as a defense, evidence as to the determination of a coroner is inadmissible, as it is not a judicial proceeding and not binding on the parties in a subsequent civil action. *Wilkinson vs. Nat'l Life Assn., Sup. Ct. Iowa.*

Validity of Policy as Contract Binding on Insured. Held that in suit on premium note by insurance company, contention of defendant that the policy was not as represented would not be upheld where he had signed a receipt acknowledging same to be in accordance with application. *Policyholder's Nat'l Life vs. Nelson, Sup. Ct. So. Dak.*

Surrender charge provided for in exercising option in life policy on default of premium held not to be deducted from reserve where policy was automatically continued and not surrendered.—In *New York Life vs. Blaylock*, supreme court of Mississippi, 110 So. 432, an action was brought to recover on a life policy. The company defended on the ground that the policy had lapsed and was void at the time of the death of the insured. The facts involved were substantially as follows:

By the terms of the policy, after it had been in force three years, on default in the payment of premium the insured was given certain options in the matter of settlement. One of these options provided for a surrender charge in case the policy was surrendered. In this case the insured defaulted in the payment of a premium but did not surrender the policy. The policy was then automatically continued for the length of time covered by its value.

Contention of the Company

On this statement of facts the company contended that it was entitled to deduct from the reserve the sum of \$15 as a surrender charge. If this deduction was permitted the policy had lapsed at the time the insured died. On the other hand, if such deduction was not permitted the policy was in full force and effect on the date the insured died.

Upon the trial a judgment was rendered in favor of the plaintiff. The company prosecuted an appeal, from this, and the higher court in reviewing the record and in affirming the judgment said:

"The main question presented on the

appeal, which will be decisive of the case, is whether or not the 'surrender charge' of \$15 may be deducted by the company from the reserve or cash amount due the insured on the policy at the time of the lapse, or should it be applied in extending the insurance under clause (b) of the provisions, 'Options on Surrender or Lapse,' of the policy, where there has been no actual surrender of the policy, but the insurance is continued under said clause (b) to some future date as provided."

Provisions Governing Surrender

"We do not understand the provisions of the policy to mean that the \$15 'surrender charge' could be retained by the company where the policy merely lapsed, and clause (b) extending the insurance automatically applied. It seems clear to us that this 'surrender charge' can be collected by the company only where the policy is surrendered for cash, as provided in clause (a) or where the insured elects, clause (c), which latter question we do not decide, but the surrender charge cannot be retained where the insurance is continued under clause (b) as it was in the case before us."

"In view of the conclusion reached above, we think the insurance was extended to a time beyond the date of the death of the insured, and that the recovery allowed by the lower court was correct. The judgment of the lower court is affirmed."

Insured's representation of no medical attention for five years in application for life policy held not to include medical attention for temporary disorders.—In *Travelers' vs. Pomerantz*, Supreme Court of New York, Appellate Division, 218 N. Y. S. 490, the company brought an action for the rescission of a life policy, on the ground that the insured had made material misrepresentations in his application. This action was based on the alleged misrepresentations of the insured in answering the following statements in the application:

"(12) I am not deformed. I have had no bodily or mental disease, nor have I received medical or surgical attention within the past 5 years—except as herein stated."

Company Won the Case

In support of its contention, the company introduced evidence to the effect that the insured had in fact received medical attention within the five years preceding the signing of the application. The evidence tended to show that the insured had received medical attention for minor complaints within the period named but not for any serious disease or ailment. The trial resulted in a judgment in favor of the defendant. On appeal the higher court in reviewing the record and in affirming this judgment said:

"The plaintiff's argument is that there are three separate declarations in this item No. 12 in the application (1) That applicant was not deformed; (2) that applicant had no disease; and (3) that applicant received no medical or surgical attention within the past 5 years."

What Company Was Seeking

"We do not agree with plaintiff that the language of the application can be so construed. The meaning thereof, as it would be understood by the ordinary mind, is that the applicant had not been treated by nor had he consulted a physician for any mental or bodily disease within five years prior to the date of the application. The implication from the conjunction of these statements, not separated, as is the request for information as to deformity, is that the company was seeking information, not as to temporary disorders nor slight functional disturbances, which did not impair the general health nor threaten the life of the applicant, but as to ailments and illnesses of severity or gravity, and having some bearing upon the physical welfare of the applicant at the time his declaration was made, or which were likely to affect him in the near future; that is, it was requiring a declaration as

to an impairment of the constitution and functions of the applicant which would be classed in the common mind as a disease. This would exclude infrequent and slight attacks of illness, and include only those grave, important, and serious conditions that affect the system and tend to shorten life.

"The evidence upon the trial showed that, during a period of five years prior to the date of the application, the insured had been visited by physicians 10 or 12 times without continuity and at varying periods. Between the first and second visits three months elapsed; 2½ years in all before the next visit; then 4½ months; then about a year; then there were visits at intervals of a month, over three weeks, again three weeks, then four weeks, and finally eight days. The last visit was six months before the policy was issued on May 10, 1922.

"The doctors testified that defendant was 'sick' or 'ailing,' and on no occasion was he sick enough to be in bed. There was no evidence as to just what ailments or illnesses the defendant suffered from at that period or for what he was treated. The testimony concerning prescriptions given to the defendant by the doctors whom he visited indicate that the medicines that he received were such as are usually prescribed for a cold, or for a disturbed digestion, or sleeping powders, because he had not slept well on two occasions. * * *

"There was nothing, therefore, upon which to found a ruling that the defendant suffered from or was treated for any serious complaint, ailment, illness, or disease within the five years prior to the issuance of the policy, within the meaning of the language employed in the application. * * * We think the judgment should be affirmed, with costs. Order filed."

Partial Disability of Insured Which Prevented Performance of Some of His Duties Held Not to Render Him Wholly and Permanently Disabled Within Terms of Life Policy.—In *Corsaut vs. Equitable Life of New York*, supreme court of Iowa, 211 N. W., 222, the company issued a policy which contained the following provision: "If the insured becomes wholly and permanently disabled before age 60, the society will waive subsequent premiums payable upon this policy, subject to the terms and conditions contained on the third page thereof."

While this policy was in force the insured defaulted in the payment of an annual premium, and while in default died. The company denied liability on the ground that the policy had lapsed at the time of the death of the insured for non-payment of the premium. The plaintiff beneficiary set up that at the time of the default in payment of the premium the insured was wholly and permanently disabled, and contended that by the provision of the policy quoted above, payment of the premium was waived. In support of this, evidence was introduced to show that the insured, who was a doctor, had had a nervous breakdown which tended to render him incompetent to attend to his duties.

The evidence also showed that insured maintained his office, took part in certain operations, and attended many patients during the time of his alleged disability. The trial resulted in a judgment in favor of the plaintiff. On appeal the higher court in reviewing the record, and in holding that the evidence did not show the insured to be wholly and permanently disabled, and in reversing the judgment, said:

"Under the record it cannot be said that this case presents an instance of an insured who is 'wholly and permanently disabled.' Undoubtedly the insured was affected with a mental breakdown, and this began to be noticeable in the year 1922; but at or about the time that the premium in question was due, and for several months thereafter, the insured was carrying on the practice of his profession, was treating patients, and, so far as the record discloses, without making mistakes in the very delicate and, in a sense, dangerous business of administering medicine."

NEBRASKA FARMERS ARE HIT BY CROP FAILURES

VALUE FAR BELOW AVERAGE

Business Is Involved in Slump Due to Reduction of Returns to Agriculture

LINCOLN, NEB., Feb. 10.—Preliminary reports and estimates made by Nebraska companies and general agencies located in the principal cities indicate that in spite of the unfavorable conditions of the second half of 1926 they showed an increased in the volume of new business written in the state of at least 5 percent. It may be as high as 10 percent. The spotted condition of business and crops in the state is reflected in the experience of the companies and general agencies.

A strip of farm land usually productive, approximately 100 miles by 200 miles, and comprising, generally speaking, a tier of the southern counties running half the distance across the state and three or four counties wide, was practically devoid of wheat and corn crops. What was raised was so meager

in quantity and poor in quality that it was necessary, where dairying was not the rule, to dispose of most of the stock on the farm and use the proceeds to finance operations for the next six months, including living expenses.

Most of this land was located in the territory usually accorded to the South Platte general agencies, and it meant shutting off, along in June and July, hope of profitable business for the next nine months. It also increased the number of lapsations and the demand for policy loans has reached the limit in that section. It resulted in driving out of the drouth-stricken portion of the state nearly every full time life insurance agent, since the crop failure forced economy on the towns, where the merchants and the other residents are dependent for their prosperity upon the welfare of the country. The situation also forced other changes in the matter of getting new business. It sent most of the general agents and the men in the field to their files to get a list of policyholders. Many agents turned away from the task of opening new fields of prospects and concentrated on the men they knew or had already canvassed. The results, says one general agent, were surprisingly good.

Most of the general agents and agency managers report increases ranging from 10 to as high as 60 percent. The agency

with the latter figure does practically no farm business, concentrating in the cities and larger towns and getting the highest class of risks, financially speaking. Lapsations are reported normal by most agencies. Some of them think that the next few months, when a good many farmer premiums become due, will provide the real test of whether the situation is much worse than normal.

In the western part of the state the biggest wheat crop in history was raised; in some parts of northeastern Nebraska the same was true of corn, while along the river counties crops were above normal.

Nebraska crops are valued at \$257,000,000 for 1926 as compared with \$319,000,000 last year and \$292,000,000 for the five year average. This measures with fair accuracy the slump in business, and that insurance did not reap its share of the decrease is due to the big business written in the first half of the year, before the farmers felt the blow.

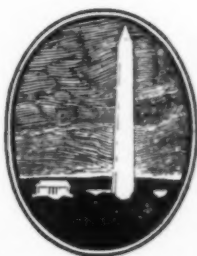
The general expectation is that the business, as is true of general business in the state, will be quiet for the first quarter of the year, but that improvements will be noted after that. By that time the crop prospect will be fairly well established. Winter wheat never looked better, and with almost enough moisture in the soil to insure crops next year a better tone and feeling will result.

Standing Alone!

A CACIA is the FIRST and ONLY life insurance company or organization to reduce its rates so that its policyholders get the full benefit of the great increase in longevity brought about by the wonderful strides made in medicine and hygiene during the past twenty-five years.

Here is the main difference between ACACIA and other old-line companies. This Association charges only the low initial rates of the stock company and gives its members all the benefits and privileges of a mutual company. The dividends paid by ACACIA are, therefore, real earnings and not the return of part of an overcharge.

No wonder that 1926 was the most successful year in its history. Insurance placed over \$45,000,000. Insurance gained over \$30,000,000. Insurance in force over \$226,000,000. Assets over \$19,000,000.



ACACIA

MUTUAL LIFE ASSOCIATION

Wm. Montgomery, President

Home Office, Washington, D. C.

Founded 1869

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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Need for Change in Illinois

SOME years ago when FRANK O. LOWDEN was governor of Illinois, he devised a program of economy in state administration, which was commendable, yet so far as the insurance department is concerned the movement has greatly impaired its efficiency and usefulness. Governor LOWDEN had a number of activities grouped under the department of trade and commerce. The insurance superintendent is therefore subordinate to the director of that department.

There is no more important state department than that of supervising insurance. In Illinois, for example, the revenue from the state insurance department is second only to that of the secretary of state. The magnitude of the insurance department is such as to demand the highest order of supervision and administrative ability. Under the present system it is difficult to tell who really is assuming responsibility. The director of trade and commerce is the commanding officer. Yet he is engrossed in supervising other departments and usually cannot give the insurance department the attention that it deserves.

When THOMAS J. HOUSTON was insurance superintendent there was no doubt as to who was the man in authority. Mr. HOUSTON was recognized as the real head of the insurance activities. The Illinois insurance department received recognition from the NATIONAL CONVENTION OF INSURANCE COMMISSIONERS. When Mr. HOUSTON retired, ALEX J. JOHNSON was appointed in his stead. Mr. JOHNSON was never more than a mere figurehead. His worth to the state as insurance superintendent was almost nil. Mr. JOHNSON did little else than to draw his pay. CLIFFORD IRELAND was director of trade and commerce and he

was the man to whom all looked as the real head of the insurance department. Mr. JOHNSON was in total eclipse and Mr. IRELAND was the only man that the insurance people or the public knew as the guiding hand at Springfield. When Mr. IRELAND retired from office, Mr. JOHNSON immediately began to make a gesture of authority and to become active. Evidently he was suppressed, because H. U. BAILEY, the present director of trade and commerce, is the man who assumed responsibility.

The dual position so far as the insurance department is concerned has not been of practical benefit. The insurance department of a great state like Illinois should rank high in importance among the state departments. The superintendent should be independent of higher officials so far as supervision is concerned. He should be responsible direct to the governor and to the people. The state at large should recognize the vastness and the great importance of insurance supervision and not link it up with other bureaus and subordinate it to another supervising official.

The present legislature is young. It is just starting. The best thing that could happen to the Illinois insurance department would be to put it on a par with other bureaus and make its superintendent a man of real authority who could reach decisions of his own and not be constantly forced to go higher up. It has happened in the Illinois department that at times the officials were not even authorized to make any sort of purchases without getting the O. K. of the director of trade and commerce office. This is a waste of time and efficiency. It is a hybrid sort of arrangement that should not be allowed to continue.

Dealing with a Master

W. J. OLIVE of Holland, Mich., general agent of the FRANKLIN LIFE, who is regarded as one of the most successful men in the field and whose enthusiasm for his work knows no bounds, believes in life insurance being written by men who know the business. He recites his own experience to show how it pays to deal with a master. Mr. OLIVE decided to take lessons on the violin. He went to a mediocre teacher and remained with him until he saw that the teacher had no more to give him. Mr. OLIVE became convinced that he had made a wrong start. Probably he felt

that he wanted to economize and chose a teacher who was not in the first class. He then went to a high grade teacher. The first thing that Mr. OLIVE found was that he had not been holding his violin as he should, nor had he been handling the bow as he should. He therefore had to start all over again. He had not been doing the work right from the standpoint of the fundamentals. Mr. OLIVE at once saw the difference between an artist and an artisan. Let us apply this lesson to life insurance work. We need master hands in this business.

PERSONAL GLIMPSES OF LIFE UNDERWRITERS

A commendable record for continuous production was made in Chicago by **Carol M. Cheney** for the year ending February, 1927. Mr. Cheney entered life underwriting with the Phoenix Mutual Life under Manager Sidney Well-beloved just a year ago. Since then he has had 52 weeks of continuous production, writing 97 policies. Mr. Cheney is 29 years of age and was formerly a salesman for Swift & Co.

Darby A. Day, the new Chicago manager of the Union Central Life, found his office literally banked with flowers when he took charge last Wednesday. Some of the Chicago general agents of other companies and other business friends of Mr. Day remembered him in this way. Inasmuch as Assistant General Agent U. C. Upjohn has resigned Mr. Day in due course will appoint another man in his place. He inaugurated this week a breakfast conference to take the place of the usual Monday morning life agency meetings.

Mr. Day, who inaugurated the advertising phrase "The Million a Month Agency," which he applied to his old Mutual Life office for some time when the production of a million dollars a month was a great achievement, has coined the slogan "We Insure Your Success" for the Union Central agency.

J. H. Hilmes of the St. John & Carter agency of Des Moines, led all Iowa agents of the Equitable Life of Iowa in paid-for production for 1926. He also placed seventh among the agents of the company and is a member of the 1927 Twenty-a-month Club, the highest production club of the company. Mr. Hilmes joined the St. John & Carter agency in 1921 and has established an enviable record. More than 90 percent of all business he has written is still in force.

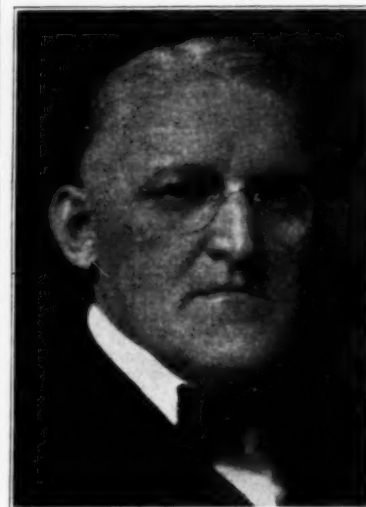
Mrs. Alice Rugh of Cedar Rapids, Ia., led all agents of the Peoria Life in personal production for the final month of 1926. While a newcomer in the insurance field, she had a brilliant record for the past year, and included among her production was one \$100,000 case.

Arthur W. Finley of Louisville, general agent for the Penn Mutual Life, was recently married in Louisville to Mrs. Ruth McCabe Twyman, and left at once for a honeymoon trip to the east.

When State Senator **Otto F. Lange**, general agent at Dubuque, Ia., for the Royal Union Life, left home last month to attend the Iowa legislative session now in progress, he admonished his two sons, Harvey and Philo, to stick to business while "Dad" was away. To prove that life underwriting is just as important as lawmaking, the Lange sons wrote enough new business in January to lead the entire Royal Union agency force for that month.

Louis W. Steele, assistant to the president of the Penn Mutual Life, died of a heart attack last week. Mr. Steele, who was 55 years old, had been with the Penn Mutual 35 years, and his knowledge of property values in all parts of the United States made him invaluable as the mortgage specialist for the company.

Life insurance company officials and agents have congratulated **George W. Huskinson**, deputy superintendent of insurance in Illinois, on being appointed to the head of the department. His appointment was confirmed by the senate last week. Mr. Huskinson hails from Alton, Ill. He has been connected with the insurance department and public service work in Illinois for some 28 years. He started in the actuary's department under the late Maj. J. J. Brinkerhoff, who was actuary for many years.



GEORGE W. HUSKINSON
Illinois Insurance Superintendent

Mr. Huskinson is a member of the American Institute of Actuaries. He has had a long experience and knows all the details of the department activities.

Dr. C. E. Schilling, medical director of the Ohio State Life, will be the guest of honor of the Youngstown branch at a dinner the first week in March. The visit is in recognition of the excellent record made by the Youngstown branch in January. The Youngstown branch is one of the leading agencies in the ten states in which the Ohio State Life operates. The Ohio State reports writing in January \$1,729,013, this being the largest January production in the history of the company.

Harry Rovin, who has been 11 years with the Missouri State Life at St. Louis, being one of its largest producers, is proud of his sister, Anna Rovina, who is a member of the Habima ensemble, the famous Hebrew players that are now touring America. Harry Rovin came to America 20 years ago, while his sister remained in Russia to study music. Miss Anna Rovina came to America last November with the Habima players as leading lady of the troupe. She is starring in "The Dybbuk." This play had an unusual success in Moscow where it ran continuously for four years.

Martin S. Tierney, general agent of the Missouri State Life at Albuquerque, N. Mex., is dead. He became connected with the company April 20, 1915, and has been general agent at Albuquerque since April 12, 1919.

Webb N. Gould, an agent of the Union Central Life at Aurora, Ill., has completed 40 years in the service of the company. Mr. Gould bought a policy from the company in 1885. Two years later, attracted by the possibilities of life insurance, he signed a contract with the M. E. Schryver Agency of the Union Central at Polo, Ill., which is still in operation under the son of its founder. Mr. Gould has been continuously in the service of the company since that time.

The New York Life tells about Miss Norma D. Smallwood, of Tulsa, "Miss America" at Atlantic City last year, a girl of 19 years of age who has insured her life in the company for the benefit of her mother and the Frances E. Willard Girls Home of Tulsa. Recently Miss Marion Talley of Kansas City, who made her professional debut in grand opera last year and scored a big success insured her life in the New York Life in favor of young people in Kansas

City unable to secure a musical education. Miss Smallwood believed herself to be bound by a debt of gratitude to Tulsa, her home city, inasmuch as the people there backed her for the coronation as "Miss America." The Tulsa "Tribune" tells about the policy as follows: "She bought from a life insurance company in New York an agreement through which the girls of the Frances E. Willard Home in Tulsa will receive an annual income following Miss Smallwood's death. From the same company she purchased a similar agreement insuring her mother, Mrs. A. M. Dickenson, an annuity following the daughter's death. 'I am doing this to repay in some small measure the benefits Tulsa conferred upon me by making me Miss America,' she said. 'I feel, too, that I have a larger responsibility toward all the girls in the world by reason of my title as their queen, and I intend to do the best I can for them always. That is why I am arranging this bequest for the Home for Girls. I hope to be of more service as time goes on.'"

Shiras Morris, who was a director in the Connecticut Mutual Life of Hartford and the Hartford Steam Boiler, died in Hartford Feb. 3. He was president of the Hart & Hegemann Manufacturing Company.

The term of office of **Harry A. Smith**, president of the National Fire of Hartford, as a director of the insurance division of the Chamber of Commerce of the United States will expire at the next annual meeting. Members of the Chamber are invited to offer suggestions as to his successor. The strong probabilities are that Mr. Smith will be reelected to the office, which he has filled with conspicuous ability for some years past.

John Lawrence Hamilton, 64, retired banker and insurance man, died at his home in Columbus, O., a few days ago and was buried at Hoopestown, Ill., his former home. Death was due to paralysis, Mr. Hamilton having been ill for four years. He was president of the Illinois Bankers Association in 1900 and of the American Bankers Association 1903-6. He was one of the founders of the Federal Life of Chicago, and in 1913 went to Columbus, where he became president of the American Guaranty and of the Ohio Surety & Casualty.

Frank L. Barnes, vice-president of the Sentinel Life of Kansas City, was in Chicago this week making preliminary arrangements for the representation of the life department of that company, which has applied for admission to Illinois. Mr. Barnes will leave this week for an extended trip to the Pacific coast, lining up further the agency plant of the company in that section, but will return in time to attend the midwinter meeting of the Health & Accident Underwriters Conference in Chicago, March 15-16.

Aetna Life salesmen in Indianapolis have designated February "Thornton Month" in honor of **M. C. Thornton**, Aetna Life representative at New Albany, Ind., who in 1926 ranked fourth in the amount of paid-for life insurance in the company's entire field, third in the number of lives insured and fourth in total premiums. His written business in 1926 was \$1,709,000, which would be increased close to the \$2,000,000 mark if group insurance were included.

S. H. Wolfe of the well known actuarial firm of S. H. Wolfe & Brother of New York was in Chicago this week en route to Los Angeles, where he will make his annual survey of the Pacific Mutual Life. From there General Wolfe will go to Portland to make a survey of the Oregon Life. Lee Wolfe of the firm has been in Des Moines auditing the Bankers Life. He visited in Chicago Wednesday.

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

FINANCIAL CONDITION, DECEMBER 31, 1926

ASSETS		LIABILITIES	
First Mortgage Loans.....	\$27,177,778.18	Policy Reserves	\$31,504,178.02
(On farm and city property appraised at \$63,215,168.00)		(On deposit with the State of Indiana)	
Home Office Building and Other Real Estate.....	3,180,114.47	Additional Policyholders' Funds	372,471.34
(Owned free of incumbrance)		(Amounts set aside for, or already apportioned to policies in addition to the reserves)	
Loans to policyholders....	4,353,083.59	Policy Claims	463,737.01
(No loan exceeds the cash value of the policy)		(Claims reported on which no proofs have been received)	
Interest Due and Accrued.	610,843.96	Reserve for Taxes	298,365.97
(On mortgage loans, policy loans, bank deposits, etc.)		(Payable in 1927)	
Net Premiums in Course of Collection	1,448,884.04	Premiums and Interest ...	207,713.46
(These premiums were due but not received at the home office on Dec. 31)		(Paid in Advance)	
Cash in bank and office....	409,540.47	Other Liabilities	45,636.72
(\$341,000 at interest)		(Agents commissions, medical fees, etc.)	
		Contingency Reserve	288,142.19
		Unassigned surplus	\$2,000,000.00
		Capital Stock..	2,000,000.00
		Surplus to protect policyholders	4,000,000.00
Net Admitted Assets..	\$37,180,244.71	To Balance Assets.....	\$37,180,244.71

Progress shown in 5-year Periods

INCOME		ASSETS		INSURANCE IN FORCE	
1906	\$ 67,052	1906	\$ 162,621	1906	\$ 1,810,000
1911	\$ 274,659	1911	\$ 630,855	1911	\$ 6,509,730
1916	\$ 1,166,710	1916	\$ 2,988,621	1916	\$ 31,066,552
1921	\$ 6,291,084	1921	\$12,804,079	1921	\$197,975,418
1926	\$13,646,227	1926	\$37,180,245	1926	\$460,499,883

Growing reasons why it pays to—

LINK UP WITH THE LINCOLN

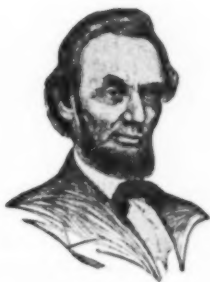
The Lincoln National Life Insurance Company

"Its Name Indicates Its Character"

Lincoln Life Bldg.

Fort Wayne, Ind.

More Than \$460,000,000 in Force



There's a Place for You—

out in California where you can write insurance for a Home Company among a progressive people under delightful weather conditions every day in the year.

If you are a clean, competent salesman of life insurance, bearing proper credentials, and desire to locate in Sunny California to produce business under an attractive agency contract, write now to M. F. Branch, Manager of Agencies.

CALIFORNIA STATE LIFE

J. Roy Kruse, President

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**We have opportunities for Agents in
Arkansas, Illinois and Iowa**

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Home Office: MOLINE, ILLINOIS

You'll never regret

that you subscribed to THE NATIONAL UNDERWRITER—you'll read it like a newspaper and you'll be a better insurance man for it. If you are already a subscriber, do your fellow agent a good turn by telling him about it—

Your friend won't forget

LIFE AGENCY CHANGES

SAUERS IS SEATTLE MANAGER

Helena Man for the Bankers Life of Iowa Is Successor to the late Charles A. Cohen

Announcement is made by the Bankers Life of Iowa of the appointment of H. H. Sauers of Helena, Mont., as agency manager at Seattle, succeeding the late Charles A. Cohen. Since 1922 Mr. Sauers has been agency manager in charge of the Helena agency. The preceding year, 1921, he spent as a salesman for the company, that year having been his first experience in the insurance field. Prior to that time Mr. Sauers had spent 10 years as a high school principal. His Bankers Life career has been an eventful one. In 1922, 1923, 1924 and 1926 he qualified for the Gold Medal Club, the highest Bankers Life honor club, and at the same time he was building the Helena agency into one of the company's strongest, an agency that paid for new business of \$4,740,350 in 1926, ranking eighth among all agencies.

Snyder Brothers

Snyder Brothers general agency, Louisville, has cancelled its contract as general agent for the Berkshire Life, and has become general agent in Kentucky and Tennessee for the Inter-Southern Life of Louisville. Reed N. Thomas of Nashville and Sweetwater, Tenn., has succeeded Allison Graves as manager of the life insurance department of the general agency, which handles fire, casualty, life and general lines. Mr. Thomas has had a number of years' experience in life and fire insurance, and is a son of Caesar Graves, special agent in Tennessee for the Insurance Company of North America.

Ray Smith and E. J. Vedder

Ray Smith, formerly of Centerville, Ia., and E. J. Vedder of Cedar Falls, Ia., are now located in Ottumwa, Ia., where they will jointly manage the business of the Guaranty Life, handling a territory including five counties. Branch offices of the agency are to be established at Centerville, Fairfield and Bloomfield.

E. L. Knetzger

Edwin L. Knetzger is now with the Prudential in St. Louis as assistant manager for the ordinary branch office of Claude R. Fooshe, and will devote his entire time to the appointment and training of agents. Mr. Knetzger has had several years' experience in this work with the Missouri State Life.

Edward Thomas

Edward Thomas, formerly superintendent of the Toronto district in the industrial branch for the Mutual Life of Canada and Citizens Assurance, has been appointed inspector for the province of Ontario for the ordinary branch. His headquarters are at Toronto. Mr. Thomas has spent 13 years in the service of the company, 11 as superintendent of Winnipeg, Montreal and Toronto branches. He plans to build a staff for the ordinary branch throughout Ontario.

C. E. Mooney

The Ontario Equitable Life has appointed C. E. Mooney of Windsor, Ont., manager for British Columbia, with headquarters at Vancouver. For a number of years he has been district manager for one of the older Canadian companies at Windsor, Ont. The last four years he has been producing in excess of \$1,000,000 of business per year. Prior to entering the life insurance business Mr. Mooney was employed by the Bank of Ottawa.

DAVIS & BUTTERWORTH DEAL

Well Known Penn Mutual Producers Made New England Mutual General Agents at Richmond, Va.

Appointment of Ben W. Davis and Linwood Butterworth as general agents at Richmond, Va., for the New England Mutual Life, operating as Davis & Butterworth, with territory including all of eastern and northern Virginia, was announced this week. The two were previously with the Diggs & Cary general agency of the Penn Mutual at Richmond. Mr. Davis had been connected with this agency for six years and Mr. Butterworth for three years. Both are graduates of Randolph-Macon College and are young men with lots of enthusiasm. At college they comprised the battery on the baseball team, Mr. Davis looking after the delivery while Mr. Butterworth was the receiver.

Working together, they produced upward of \$900,000 of business for the Penn Mutual last year. Frank T. Partidge, secretary of the New England Mutual, was in Richmond this week, signing them up for their new connection. The company had been without a general agent at Richmond since early last fall when Walter W. Barrow resigned to form a connection with the Massachusetts Mutual in that city.

George W. Frederick

George W. Frederick, agency organizer at Denver in the intermountain territory for the Reliance Life, has been promoted to agency supervisor for southern California and transferred to Los Angeles as headquarters, according to an announcement made by Angus Allmond, superintendent of western agencies of this company.

Deatherage Insurance Agency

The Deatherage Insurance Agency of Spokane, Wash., has been appointed state agent for the Reserve Loan Life of Indianapolis.

Fewel With Continental

J. B. Fewel has been appointed general agent for the Continental Casualty and Continental Assurance at Indianapolis. Prior to going with the Continental Mr. Fewel was for ten years manager of the life and accident department for the Minneapolis Insurance Agency and Marsh & McLennan where he built up a large business.

Mr. Fewel is an old timer in the insurance business, having had 17 years experience. He is an expert in life values and earning power. He has opened offices in the Andrus building.

E. K. Waddle

E. K. Waddle, who for several months has been executive secretary of the Life Underwriters' Association of Los Angeles, has resigned this position to become agency organizer of the Sunset branch of the Western States Life, of which Howard H. Hoyt is manager.

H. A. Hoskins

Henry A. Hoskins, a young business man of Sioux City, has associated himself with the Conservative Life of that city as general agent.

Truman Pierson

Truman Pierson has become associated with the Mutual Life of New York in Minneapolis, having supervision and management of sales in the territory including Minnesota and North Dakota.

John J. Gordon

Hart & Eubank, New York general agents for the Aetna Life, announce

the appointment of John J. Gordon as general production manager. Mr. Gordon, who is now with W. A. Alexander & Co., general agents for the Penn Mutual Life in Chicago, will assume his new position March 1. Mr. Gordon entered the business in 1916 with the Mutual Life in St. Paul. Later he was with the Massachusetts Mutual in Minneapolis, and since October, 1923, he has been with W. A. Alexander & Co.

James F. Russell

James F. Russell has resigned as general agent of the State Mutual Life at Baltimore. The company's offices are temporarily in the hands of Cashier H. R. Hall, Jr.

Stuart D. Warner

Stuart D. Warner has been appointed general agent of the New England Life in charge of its office at 25 West 43rd street, New York City.

Provident L. & A. Appointments

The Provident Life & Accident has appointed Buford R. Stone and J. A. Flythe general agents at Raleigh, N. C., under the firm name of Stone & Flythe. The territory will comprise Raleigh and eastern North Carolina.

W. A. Stalnaker has been appointed general agent for Louisville. A new general agency has been established at Des Moines with the appointment of D. E. Alldredge, who was formerly manager in Des Moines for the Lincoln National. Robert W. Hicks is in charge of the general agency in Baltimore.

E. T. Ridgeway

Erwin T. Ridgeway of Columbia, S. C., has been appointed director of the agency of the New York Life succeeding F. S. Munsell, recently promoted and transferred to Richmond. Mr. Ridgeway assumes a position formerly

held by his father, R. A. Ridgeway, who was succeeded by Mr. Munsell. He has served in all capacities in the office, having started with the company as office boy 14 years ago.

C. A. Ferguson and G. F. Robjont

Following the resignation of Clinton A. Ferguson as general agent for the State Mutual Life in Boston, his organization was combined with that of George F. Robjont. The combined agency has its headquarters in the Metropolitan building.

Life Agency Notes

Kenneth A. Leach, for six years with the Equitable Life of New York at Columbus, O., has joined the agency of the Equitable Life of Iowa in that city.

Manager E. J. Cowell of the home office agency of the Central States Life of St. Louis has announced the appointment of R. I. Gregg as district manager with headquarters in Belleville, Ill.

William R. Phillips, who has been special agent and supervisor for the Public Savings of Indianapolis, has joined the Tharon-Dull agency of the Missouri State Life at Muncie, Ind., as agency supervisor.

F. J. Effandt and H. S. Crossley of Moline, Ill., have been appointed Rock Island county representatives for the Peoria Life and have formed a partnership, which, in addition to the Peoria Life, will conduct a general insurance agency.

Life Notes

Stephen R. Fraher, a representative of the Massachusetts Mutual Life at Columbus, O., has been chosen president of the Cooperative Club of that city.

Stanley Nelhaus, who has been with Haight, Davis & Haight, consulting actuaries at Indianapolis, has gone to the home office of the Victory National Life of Tampa, Fla.

Edgar C. Hill, special agent for the Mutual Life at Oklahoma City, was appointed chairman of the war risk convention and reinstatement committee in Oklahoma county. Robert H. Carter and D. R. Fowls are the other committee-men.

EASTERN STATES ACTIVITIES

LINCOLN NATIONAL MEETING

Agents from Pennsylvania, West Virginia and New Jersey Were Called in for a Conference

Thirty-five agents of the Lincoln National Life attended the sectional meeting held in Philadelphia. The agents in attendance were from New Jersey, Pennsylvania and West Virginia.

Vice-President and Manager of Agencies Walter T. Shepard summed up the record of the Lincoln National for the past year. He also acted as toastmaster for the banquet.

Other home office officials who conducted the program were Superintendent of Agencies A. L. Dern, Assistant Superintendents of Agencies V. J. Harold, W. T. Plogsterth, R. N. Rafferty, and Medical Director W. E. Thornton. Vice-President Franklin B. Mead had part in the open forum conducted on the last day.

Agents who had a prominent part in the meeting were S. J. Payne, S. T. Davis, J. G. Ridinger, S. C. Slaven, H. D. Simmons, H. V. Jackson, of West Virginia; H. C. Lawrence, L. B. White, W. H. Fraser, M. F. Smith of New Jersey; C. A. Wooster, John R. Kinneman, A. C. Mellinger, Sr., J. E. O'Brien, W. B. Gorby of Pennsylvania.

Earl H. Weltz, general agent from Philadelphia for the National Life of Vermont, made an interesting address on agency building.

Samuel Brown, well known public speaking instructor of Carnegie Tech., delivered the public address at the banquet.

Assistant Superintendent of Agencies R. N. Rafferty of Indiana remained in the eastern field after the agency meeting and will be in direct charge of the agency building program in Pennsylvania, West Virginia, New Jersey and North Carolina.

BOND'S CASE IS CONTINUED

Former West Virginia Commissioner in Hospital and May Be Found Permanently Incapacitated

CHARLESTON, W. VA., Feb. 9.—There is no early settlement of the case of John C. Bond in sight. The former state auditor and ex-officio insurance commissioner sat by without offering any defense when Governor Gore held his hearing on charges, was removed pending the convening of the legislature, disappeared, returned, was indicted by the Kanawha county grand jury with trial set for Jan. 31, was cited before the senate and trial date for impeachment proceedings set for March 16, and all through the months he has declined to make any other statement that that he would "show them" when he got ready.

When the case came up in court last week attorneys for Mr. Bond told the judge that upon request of the United States Veterans' Bureau, Mr. Bond had been taken to the State Home for incurables at Huntington for examination and treatment, and pending a report, the case was suspended. He has a war record of shell shock, wounds and hospital care while overseas. It may be found that he is permanently unable mentally to care for himself now.

PITTSBURGH BREAKS RECORD

Total of \$489,441,224 of Life Insurance Was Written in District by 46 Agencies

PITTSBURGH, Feb. 9.—According to figures announced by a committee of the Pittsburgh Life Underwriters Association composed of George W. Ryan,

ÆTNA LIFE TRAINING COURSE

BEGINNING FEBRUARY, 17, 1927

- 1—The Chicago Agency will conduct an intensely practical Life Insurance Training Course of ten lessons beginning on Thursday, February 17th, at our offices in the Illinois Merchants Bank Building.
- 2—The first meeting of the class for organization purposes will be held on Thursday evening, February 17th, at 6:30. The further classes will be held on Tuesday and Thursday evenings of each week and likewise will begin at 6:30 and last until 8:00 p. m.
- 3—The classes will be conducted by Mr. H. K. Schoch, Agency Supervisor, a thoroughly practical and successful Life Insurance man.
- 4—Enrollment should be made immediately. There will be no charge for this course.
- 5—This course is open to all independent brokers as well as men contemplating entering the Life Insurance Business.

S. T. WHATLEY

General Agent

Ætna Life Insurance Company
Suite 2043—230 S. Clark Street
CHICAGO, ILLINOIS

W H O O M M E E

YOU FEEL IN YOUR BONES

when the "whommee ewhomming" of the old river stern wheeler going round the bend disturbs the stillness of the placid river that here indeed is the South.

When you see the blue covers of the National Underwriter we hope you will feel with equal conviction that here is the insurance newspaper representing the organization with "Everything for the Insurance Man."

E E W H O O M

An opportunity for YOU in NEBRASKA

If you live in Nebraska and are not satisfied with your volume of business it will pay you to find out what we can do to help you. We have a prospect finding and prospect closing plan that will appeal to you. Coupled with our line of modern policies and personal co-operation these plans will prove to be a real money-maker for you. Write for agency openings.

We also have opportunities in Iowa, Minnesota, Missouri and South Dakota

Des Moines Life & Annuity Company

J. J. Shambaugh, President

DES MOINES, IOWA

THE COMPANY OF CO-OPERATION

You may believe there is nothing new under the sun, but after considering our General Agency proposition you may not be so sure about it.

THE Gem City Life was organized in 1911. For over 16 years the company has had a steady and satisfactory growth. Old enough to have secured valuable underwriting experience—big enough to have financial stability—young enough to have high ideals and great ambition, and small enough to be able to maintain a personal contact with its agents. The Gem City Life is an ideal organization in which you will find all the good things you have been seeking in a company.

General Agency Openings in
West Virginia, Georgia, Alabama, Louisiana, S. E. Ohio



The GEM CITY LIFE INSURANCE COMPANY

Dayton - - Ohio

I. A. MORRISETT, Vice-President

Howard S. Sutphen and Royal S. Goldsberry, 46 agencies in Pittsburgh wrote a total of \$489,441,224 of life insurance in 1926. This figure exceeds the amount written in 1925 by \$159,255,536. The figures compiled by this committee show what an important part life insurance is playing in the economic and social life of Pittsburgh. In death claims alone the people in the Pittsburgh district received in cash from the 46 agencies reporting, over \$38,000,000. Over \$3,000,000 was paid in the form of matured endowments. To the living policyholders in the Pittsburgh district over \$5,000,000 was paid in dividends. These three items make a total of over \$46,000,000 that was paid to the people of the district. There was also returned to the community approximately \$13,000,000 in the form of mortgages on improved real estate.

It is estimated by the committee that at least 150,000 persons during the year saw the need of life insurance protection, and secured it by ordinary, industrial or group policies. Last year was the greatest single year in the Pittsburgh district in the history of life insurance. The ordinary, group and industrial business written in 1924 was \$294,510,923; in 1925, \$330,185,638; in 1926, \$489,441,224.

Speaks to Women's Clubs

At the monthly meeting of the Federation of Women's Clubs at Fremont, O., George A. Bredehoft, general agent of the Connecticut General Life and president of the Life Underwriters Association, was the speaker of the evening, the address being on "Women and Life Insurance." Mr. Bredehoft explained to the women the great part that life insurance plays in the financial program of the family.

Insurance Men Before Footlights

A group of Hartford insurance men will be the stars in a play entitled "Traditions" to be presented by the Hartford Chamber of Commerce as an interpretation of the "awakening of New England." The insurance men who will take part are Winslow Russell, vice-president Phoenix Mutual Life; Mayor Norman C. Stevens, secretary Aetna Casualty & Surety; George L. Hunt, general agent of the Northwestern Mutual Life; George E. Tucker, local broker and formerly medical director of the Aetna Life, and Clarence T. Hubbard, assistant secretary of the Automobile. The play was written by Samuel Ludlow, manager of the registered mail pool and well known as a reinsurance expert, and formerly vice-president of the First Reinsurance.

Dunham Pleads for More Funds

The magnitude of the insurance business in Connecticut and the large revenues which it returns to the state warrant a substantial increase in the appropriation for the insurance department in order that it may adequately handle the work which faces it. Commissioner Dunham asserted in a hearing before the legislative appropriations committee.

In support of this contention, Commissioner Dunham pointed out that over \$6,000,000 is paid to the state annually in taxes by the insurance companies. "Without this source of income, Connecticut would be a debtor state," he declared.

In explaining his request for an increased amount for salaries, Commissioner Dunham asserted it to be necessary to secure more actuaries and examiners in order to handle the work properly. "These men must be well trained, with an adequate knowledge of law and investments," he said. "It is ridiculous to consider sending cheap, untrained men in to investigate the condition of companies which are doing business that amounts into millions of dollars."

Sales Congress Advisory Committee

Eighty-five field men, one from each life agency office in Philadelphia, will act as an advisory council in connection

with the Tri-State Life Insurance Congress March 25 in Philadelphia. E. J. Berlet, Guardian Life general agent, who has been appointed general chairman by representatives from life underwriters associations of Pennsylvania, New Jersey and Delaware, requested the privilege of appointing such a committee.

In the past, these congresses have been conducted by a handful of managers or general agents, without any effort being made to find out what interests the field men.

Opens Baltimore Clearing House

James F. Russell, Jr., who recently resigned as general agent in Baltimore, of the State Mutual, has opened what may be termed a clearing house for more difficult cases of insurance coverage, where an agent who has had the rejection of a prospect by his own company can secure coverage for the prospect through one of several companies represented by Mr. Russell.

Mr. Russell is representing one main company on all lines of business, in addition to having other companies for the placing of the business as outlined above and for such other business as is not written by the main company, which in this case is the National Life of Vermont. This covers not only life but group and salary budget. Mr. Russell is representing the National Life as a separate office. William P. Stedman remains as general agent of the National Life in Baltimore, Mr. Russell reporting on that end of his business through Mr. Stedman.

Northwestern Ohio Congress

The annual educational congress for northwestern Ohio will be held in Toledo, Mar. 4, under the auspices of the Toledo Association of Life Underwriters. Some of the speakers will be John Marshall Holcombe, director of the Life Insurance Sales Research Bureau of Hartford; J. A. Whitmore, agency manager of the Phoenix Mutual Life; Tresslar W. Callihan, educational director of the John Hancock Mutual Life; Harry W. Hutchens, manager of the National of Vermont in southern Ohio; Grove Patterson, editor "Toledo Blade." The meeting will be held in the new Commodore Perry hotel.

Toledo Agency Dinner

Twenty-six guests, associates in the Toledo agency of the Connecticut General Life, and their wives were entertained at a dinner party Feb. 4 by George A. Bredehoft, general agent, and Mrs. Bredehoft. This was the third annual agency dinner. Announcement was made that the Toledo agency had won a contest in 1926 with the L. D. Bell agency of Indianapolis and as a result Mr. Bredehoft is wearing a new hat given by Mr. Bell. Renewal of the contest was pledged for 1927. The agency reports progress in 1926 for all of the departments and the field work.

Change in Savings Bank Law

When savings bank life insurance was provided for by statute in Massachusetts some 17 years ago, there was embodied in the act a provision that the banks might deduct from the proceeds of a life policy expenses incurred in determining proof of death of a policyholder who died outside the state.

This privilege has never been invoked by any bank in Massachusetts, though many policyholders have died outside the state. The savings bank life insurance department however, declares it finds the privilege is working as a detriment to its interests, in that the provision is pointed out as an argument against taking out savings bank life insurance, and asked that the provision be stricken out of the law. There was no opposition.

May Amend Investment Law

Stock insurance companies in Michigan would be permitted to purchase out of their surpluses, over and above

legal reserves, any securities of solvent, dividend-paying corporations other than insurance companies, at the discretion of their boards, under a bill to amend the investments provision of the Michigan law, introduced by Senator Condon of Detroit.

In the past Michigan companies have been strictly limited in their investments but no effort has been made to enforce the Michigan standard on for-

eign companies licensed in this state so long as they conformed to the laws of their home commonwealths. An effort was made during the last session to broaden this law to some extent but the measure died in committee.

Another minor provision is included which would revamp the present requirement in relation to purchase of the stock of other insurance companies to make it conform to the new section.

IN THE MISSISSIPPI VALLEY

M. A. FREEDY IS CONFIRMED

Expected Opposition to New Wisconsin Commissioner in the State Senate Fails to Develop

MADISON, WIS., Feb. 9.—The appointment of Milton A. Freedy as insurance commissioner of Wisconsin was confirmed by the senate of the Wisconsin legislature last week for the unexpired term ending June 30, 1927, and for the full four-year term following that.

The opposition, which Senator Bernhard Gettelman of Milwaukee was to lead, failed to form and the confirmation of Mr. Freedy went through without discussion. Senator Gettelman had charged Commissioner Freedy as being aligned with the automobile interests because the new commissioner had stated that he was not in favor of a compulsory automobile liability insurance law.

It was believed that if Senator Gettelman would oppose the confirmation of Commissioner Freedy in the senate that it would be a test of strength of the suggested compulsory liability measure which is to be brought up in the Wisconsin legislature this session.

TRAVELERS MEETING IS HELD

Wisconsin Field Representatives of All Branches Attend the Annual Convention in Milwaukee

MILWAUKEE, WIS., Feb. 9.—The Wisconsin Bearcats, the field representatives for all branches of the Travelers companies in Wisconsin, gathered in Milwaukee last week for the annual convention of the organization. Approximately 100 registered during the meeting. T. H. Richey, manager, presided as chairman throughout the sessions. Life, accident, group, and fire insurance lines of the company were discussed Friday morning, and the representatives of the home office who were on the program for this session included Dan J. Bloxham and John W. de Forrest, assistant superintendents of agencies; J. E. Moschel, group supervisor; R. D. Safford, manager of the western department, and C. P. W. Anderson, who talked on the fire department.

Liability and indemnity lines were discussed Friday afternoon by John Egloff and Joseph Murtagh, agency assistants from the home office. Accident and group insurance were discussed Saturday morning. W. C. Kirkland, district manager from Chicago attended the meeting in addition to the home office men. Entertainment at the convention consisted of the annual banquet Friday evening.

Madden to Speak in Lincoln

The insurance subdivision of the chamber of commerce of Lincoln, Neb., has secured J. L. Madden, manager of the insurance department of the national chamber, for an address March 3. M. A. Hyde, chairman of the local committee, is laying plans to make this a big event for all lines of insurance, and is urging insurance men to bring with them their heaviest insureds to hear that part of Mr. Madden's address that stresses insurance as an undergirding for business credit.

PUSH NON-MEDICAL MEASURE

Measure Introduced in Nebraska Senate Has Backing of Lincoln Life Underwriters

LINCOLN, NEB., Feb. 10.—The Lincoln Life Underwriters Association has had introduced in the Nebraska senate S. F. 258, by Chambers, which will permit the writing of policies in the state up to \$10,000 without the medical examination requirement. M. L. Palmer, who heads the legislative committee, said that it was merely an effort to give legal effect to a variety of practices that arise largely out of misinterpretations. Those of the members who opposed non-medical legislation are frank to say that it is coming, and that so many other states have adopted the plan that it is not worth while combating it with so many companies favoring it when proper safeguards are taken. The opposition is largely based on the belief that it will make the job of the agent harder, and that he will have greater difficulty getting his risks accepted by the head office when he is not backed by local medical opinion.

The first insurance bill to pass the Nebraska house was H. R. 227, which provides that when a corporation carrying insurance on the lives of any of its officers or employees desires to change the beneficiary, assign it or in any other way alter the contract, it must present to the company issuing the policy a written statement attested by the president and secretary, showing that a majority of the board of directors has authorized the change. When this is issued under its corporate seal it shall be binding upon the corporation and protects the insurance company, without further inquiry as to the validity of the action taken. This puts into law a practice generally followed by companies and will make unnecessary the usual exchange of letters when such a change is desired to be made.

NEW QUESTION UP IN KANSAS

Effect of Extended Insurance Provision as Applied to Forfeiture Law Is Point at Issue

TOPEKA, KAN., Feb. 10.—A important legal question relative to extended insurance and the operation of the Kansas forfeiture law has just been submitted to the Kansas department. John Smith, assistant superintendent, refused to make an order on the question and suggested that the matter be taken into the courts for a decision. This court decision may be of tremendous importance to every life company operating in Kansas.

A citizen of Kansas City, Kan., held a life policy in an old line company. He paid the first two premiums but allowed the third to default. The premium due date was March 1. Since the policy was written under the old forfeiture law the company waited until the grace period expired to serve the forfeiture notice. The notice was served April 1 and became effective May 1.

But the policy had a provision that in event the premium was defaulted the face value of the policy would be carried as extended insurance for as long a time as the cash value of the policy would purchase. The cash value of this policy

NOW OVER FOUR MILLION MARK IN PREMIUM INCOME

Big Gain Registered in 1926

by

The PROVIDENT
LIFE AND ACCIDENT INSURANCE COMPANY
of Chattanooga, Tennessee

Thirty-Ninth Annual Statement Dec. 31, 1926

Assets	Liabilities
Cash in banks.....\$139,295.09	Premium reserve\$ 540,958.92
Bonds (Market value)..... 542,510.84	Claim reserve 255,496.00
First Mortgages on real estate 963,471.69	Life department reserves.. 1,444,987.91
Collateral loans 70,255.53	Reserve for commissions .. 87,058.23
Policy loans 326,800.75	Reserve for taxes..... 60,600.07
Real estate, including home office building 803,284.65	Reserve interest paid in advance 8,994.13
Accident and health premiums in course of collection 857,145.94	Accounts due and accrued. 9,913.00
Life premiums in course of collection 116,097.53	Miscellaneous reserves ... 1,819.29
Interest accrued 30,409.16	Contingent reserve 192,169.15
Re-insurance due from other companies 2,818.58	Capital and Surplus..... 850,000.00
\$3,361,089.59	\$3,361,089.59

Significant Facts

Premium income	\$ 4,003,945.81
Gain in premium income	872,112.04
Life insurance in force	27,638,891.00
Net gain in life insurance.....	2,853,929.00
Gain in assets	640,616.44
Gain in reserves	540,616.44
Surplus and reserves to policyholders	3,223,075.45
Number of claims paid in 1926	54,788
Amount paid out in claims in 1926	1,710,798.61
Amount paid out in claims since organization.....	9,267,296.95

"One of America's largest multiple-line insurance companies wants a traveling supervisor for the state of Illinois. Must be thoroughly experienced. Capable of hiring and developing life insurance agents. Give complete record of experience in replying."

**Address U-78, care
The National Underwriter**

Your Prospect's Future is the same as your own

When you line him up for the policy he wants, and the policy he needs, you have made a staunch friend, and contented customers mean repeat orders in insurance as well as other lines of business. Sell this contract:

Any natural death.....\$5,000
Any accidental death.....10,000
Certain accidental deaths.....15,000
Accident Benefits \$50 per WEEK.
(Non-cancellable)
Also Disability Income, Waiver of
Premiums, etc.

ALL IN ONE POLICY

You can see how worthy such a contract is in the hands of a progressive agent and we invite you to give serious consideration to the United Life "Policy You Can Sell."

There may be an opportunity in your town. Our Vice President, Eugene E. Reed, will tell you all about it. Write him direct . . . and directly.

UNITED LIFE AND ACCIDENT INSURANCE COMPANY

Concord

New Hampshire

Inquire!

You Who Seek Opportunity

Opportunity exists always for those who seek success and satisfaction in life insurance field work.

During 84 years the first American legal reserve mutual life insurance company has been served and built to greatness by men who found both success and satisfaction in so doing.

This company writes all standard forms of insurance and annuities on both men and women. Age limits 10 to 70.

Those who contemplate life insurance field work are invited to apply to

The Mutual Life Insurance Co. of New York

34 NASSAU STREET

NEW YORK, N. Y.

Going Up!

When an old established company, resting solidly on one of the strongest financial foundations to be found in life insurance, begins to grow, it usually moves upward by leaps and bounds. Unusual opportunities are then created for the representatives of that company. With them it is a case of "being in on the ground floor," for the company's success is their success, and as the company grows so do they.

Backed by its great financial strength, The Guardian has enjoyed an unusual growth in these past several years. Our new business in 1925 was nearly 50% better than 1924, a gain of about three times greater than the average. For the first half of 1926 our gain was 26% over the same period of last year, or twice the general average for all leading companies. This is a gain of about 62% over the first half of 1924.

These figures tell the story better than anything more we could say, except that The Guardian does not mean to stop there. Men of the right calibre will find their opportunities with us.

T. LOUIS HANSEN, Vice-President

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA
Founded 1869 under the Laws of the State of New York
55 UNION SQUARE, NEW YORK

was sufficient to carry \$2,000 of insurance to June 29.

But the policy had been forfeited May 1, yet here was \$2,000 of insurance in full force and effect and subject to collection if death had occurred before June 29. The insurance was in force but the policy had been lapsed.

The legal question is whether or not the forfeiture notice should not have been served on the date the insurance expired instead of the date when the premium was due. The insurance was in force if the policy was not. If the courts should hold that the forfeiture could not be completed until the extended insurance had expired practically every forfeited policy in Kansas would have to be forfeited over again by the proper notice and some of them would be reinstated by the holders.

North Dakota Legislation

S. B. 119 in the North Dakota legislature, for an act (new) relating to insurance on lives of directors, officers or agents of corporations and providing a method of registry of insurance so that transfer of policies to individuals can be registered, was passed by the senate.

S. B. 67 which reenacts a subdivision of a law relating to contestable clauses in insurance policies so as to make the policy the entire contract between parties, also passed the senate. Life insurance policies are to be noncontestable after two years, while under present statutes policies containing disability and double indemnity provisions are contestable at any time. This bill would make disability or indemnity policies noncontestable after two years.

The house passed H. B. 168 which amends a former law relating to the exemption of the avails of life insurance payable to the personal representatives of a deceased, his heirs or estate, and making life insurance payable direct to a person by will.

Saltzstein Agency's Record

The A. L. Saltzstein general agency for the New England Mutual Life at Milwaukee has made a splendid record for January, having submitted applications for \$1,085,000, which is a record January business for the agency. Of the total business of \$40,000,000 on the books of the agency in 1926, only \$333,000 lapsed last year, which is another record of which Mr. Saltzstein is proud.

Meeting of Iowa Agencies

John P. Davies, assistant superintendent of agents, and Ralph Perry, assistant secretary of the Northwestern Mutual Life, conducted an agency conference at the general agency of H. L. Williams, Davenport, Ia., Feb. 3-4. It was a combined meeting of the entire field organization in Iowa, including beside the Williams general agency those of J. C. Garland, Dubuque; R. H. Pickford, Cedar Rapids; J. J. Hughes, Des Moines, and W. M. McKircher, Sioux City. It was held in connection with the Life Underwriters Association meeting in Davenport. Prof. S. S. Huebner of the University of Pennsylvania was on the program.

Wrote Million in January

Slightly more than \$1,000,000 of business was paid for by the Gifford T. Vermillion agency for the Mutual Life of New York at Milwaukee in January. The Vermillion agency is in competition this year with the Samuel Heifetz agency and the Robert Spaulding agency at Chicago, both of which wrote more in January than did the Vermillion agency. A contest was held in 1926 between the Vermillion and Spaulding agencies, the former having a greater production at the end of the year, which won the contest for it.

Bankers Life Lincoln Meeting

W. I. Kortright, agency instructor for the Bankers Life of Nebraska, presided at the sales conference held all day of Friday, at Lincoln, for men connected with the state agency. This agency,

presided over by G. E. Sattlem of Omaha, wrote over \$5,000,000 of paid for annual business in 1926, an increase of 93.8 per cent. This agency stood first among those of the company in the United States in increase of volume for the year and second in new organization work. Eighteen agents were in attendance. Ray Davis, district manager at Lincoln, talked on "How to Help New Agents in Production Work;" R. W. Johnson, district manager at Fremont, on "Problems of Opening New Territory;" Lawrence Treat, agency manager at Grand Island, on "Bequest Insurance;" Albin Peltz, district manager at Schuyler, on "Keeping on the Job," and Julius Gilbert, district manager at Beatrice, gave an inspirational talk on "Our Agency."

Illinois Federation Rally

President L. J. Kempf of the Insurance Federation of Illinois is making plans for a large attendance at the annual meeting to be held in Chicago at the Congress Hotel, Feb. 17. Mr. Kempf will outline the work of the Federation and will tell some of the demands of the day for the organization. This is legislative year in Illinois and the Federation will be on the job. Emmet C. May, president of the Peoria Life, and Ernest Palmer, manager of the Chicago Board of Fire Underwriters, will be the speakers of the evening. Undoubtedly Mr. Kempf will be reelected as he has made an excellent presiding officer.

Big Business in Iowa

An approximate ratio of one Bankers Life of Iowa policy to every 50 inhabitants of Iowa exists in the business of the Bankers in its home state. On Dec. 31, the company had in force 51,276 policies in Iowa for a total of \$125,743,827.

Bill on Transforming Mutuals

S. F. 199 introduced in the Nebraska legislature is intended to prevent officers of mutual insurance companies from manipulating proxies and other devices for the transformation of these companies into stock concerns, by requiring unanimous consent of members, but the author says that he is willing to compromise upon a more reasonable basis if the present law that permits this to be done by a three-fifths vote of those present and voting at a meeting called for that purpose is amended so that proxies cannot be counted at such meetings.

SOUTHERN FIELD

PROPOSE NEW PLAN IN TEXAS

Bill Introduced in Legislature Would Create a State Board of Insurance Commissioners

AUSTIN, TEX., Feb. 9.—The bill in the Texas legislature to consolidate all insurance agencies of government has been given a favorable report by the senate committee on insurance. It is by Senators Witt and Reid but was prepared in its legal form by Assistant Attorney General R. B. Cousins, Jr., who has had charge of all insurance litigation and questions handled by the Texas attorney general for the past two years. Under the bill, now to come up for final passage, a state board of insurance commissioners is created to take over the functions of the state insurance department and the state fire insurance commission. It creates no new offices but merely consolidates this work in one board and by majority vote provides for the conduct of the state supervision over insurance.

Members of the board will have six-year terms overlapping, one appointed every two years. The first appointments, however, will be for two, four and six years and as these terms expire

their successors will be appointed for six years. Of the new board one is to be the commissioner of fire insurance, one of life insurance and one of casualty insurance, representing the three state officials now known as the commissioner of insurance and the two members of the fire insurance commission.

The bill gives each member of the board jurisdiction over filing charters and routine administrative duties with reference to his respective lines of insurance but constitutes the board as a whole and a majority thereof for action on matters requiring its attention.

PROPOSE INVESTMENT LAWS

Bill in Arkansas House Would Require Keeping 75 Percent of Reserves in the State

The Nance-Smallwood bill introduced in the house of the Arkansas legislature would require every insurance company operating in the state to invest and keep invested in Arkansas securities and real estate a sum equal to at least 75 percent of the aggregate of the legal reserve required by the laws of the state of its domicile. The emergency clause is added to the bill on the ground that the "vast sum of premiums collected annually in Arkansas and invested in the securities of other states" has materially affected the market value of Arkansas securities and caused a drain on the finances of the state. The proposed law is very similar to the Robertson investment law in Texas, the passage of which caused the withdrawal of a number of large foreign companies which objected to the compulsory investment feature.

CASE GOES AGAINST COMPANY

Court of Appeals Rules for Widow in Action Involving Misrepresentation in Statement Made by Insured

A contest over a life policy involving a rather unusual point has just been decided by the United States circuit court of appeals at Richmond, Va. In 1915, the Missouri State Life issued a \$10,000 20-pay policy to Ryerson S. Guess of North Augusta, S. C. In 1923 a new policy for \$5,000 was issued in its stead at his request when it developed that he had inadvertently given his age as 37 in the original application when it should have been given as 35. The following year this policy lapsed for non-payment of premium, but Mr. Guess was reinstated a few months later. In his application for reinstatement he said that he had not been treated for any serious disease or ailment since the issuance of the policy. Following his death in May, 1925, it developed that he had been treated for a serious ailment in a hospital in Augusta, Ga., in 1921.

The question then arose as to whether he had reference to the reissued policy or the original policy in his statement. The company brought action in federal court at Aiken, S. C., for cancellation of the policy. His widow resisted the action. The lower court decided in her favor and its decision is now affirmed by the appeal court. Judge McClintic dissented.

Sentinel Life in Kentucky

The Sentinel Life of Kansas City, Mo., has been licensed in Kentucky. The company has \$250,000 capital and \$240,000 surplus.

Offer Standardization Program

As an aftermath to the recent sales congress held by the Oklahoma Association of Life Underwriters, members of the C. C. Day agency of the Pacific Mutual Life will stage a program on standardization at the meeting of the organization Feb. 12. An added feature of interest will be the presentation of

the two prize winners in the recent essay contest conducted by the life underwriters in conjunction with the Y. M. C. A. among the school children. The contest was in connection with Thrift Week, and the essays written by the children were required to be on thrift.

Trust Company Host

The trust department of the American Southern Trust Company of Little Rock, Ark., gave a dinner last week to more than 200 life insurance men. J. B. Webster, vice-president and trust officer of the trust company, discussed the relation of life insurance to trust companies. Allan Gates, president of the Little Rock Underwriters Association, and H. H. Conley, president of the Arkansas General Agents Association, were also speakers.

Amicable Life's Good Showing

A. R. Wilson, president of the Amicable Life of Waco, Tex., reports that his company in January of this year wrote 50 percent more business than it did the same month last year. This, he said, would indicate the cry of hard times, no money and that the country is blown up because of low cotton prices is a myth.

Rich Agency Holds Convention

Nearly 50 representatives of the Marion Rich agency of the Missouri State Life attended the annual convention of the agency in Columbia, S. C., last week. They came from many points in North and South Carolina. Cash prizes were awarded J. L. Richardson of Lake City, S. C., and J. F. Parrott of Kinston, N. C. for leading the field in production of business. The agency now has \$26,000,000 of business in force. It wrote more than \$5,000,000 last year, it was announced at the meeting.

Agency Meeting at Richmond

Business produced by the Virginia and eastern North Carolina agency of the Massachusetts Mutual Life in 1926 showed an appreciable increase over the 1925 volume, it was announced at the annual meeting of the agency force in Richmond last week. It was also announced that January business this year was 50 percent in excess of that for January, 1926. Posie W. Ashworth, Danville, Va., agent, read an interesting paper on "Using Opportunities." Home office executives in attendance were Dr. Morton Snow, medical director, and Wrayburn M. Benton, assistant superintendent of agencies. Principal speaker at a dinner was Col. Thomas B. McAdams, vice-president of the State-Planters Bank & Trust Company of Richmond and a former president of the American Bankers Association. The agency has been under the management of Charles B. Richardson, general agent, for 23 years.

Form Century Life

The Century Life Insurance Company has been granted a permit in Arkansas. The Century Life is being formed by Negroes of the state. It is capitalized at \$200,000 and the permit carries authority for the company to sell \$50,000 in stock. A. E. Bush of Little Rock, is president of the company.

First American Starts

The First American Life & Accident, which was recently organized at Fort Smith, Ark., has started a campaign to establish agencies and to secure charter member policyholders. The First American is a legal reserve company. The officers are: John A. Gosnell, president; William McCallum, vice-president; Dr. Charles S. Holt, chairman of the board and medical director; Hugh Branson, treasurer.

Probe Request Is Shelved

The message of Governor Johnson requesting a probe of the insurance board of Oklahoma was shelved by the house of representatives for the second time, and removed from its calendar.

Connecticut General News Hartford, Conn.

One Sure Way to Keep Clients

One sure way to keep clients is to sell such good protection that they will never hear of anything better. OA—in other words—when you're selling accident insurance.

For in case of street accident where other contracts pay single indemnity, OA pays triple benefits. For travel accidents usually covered for double indemnity only, OA pays triple benefits. Single indemnity for other accidents.

You want to know OA. For outline, address the Connecticut General Life Insurance Company, Hartford, Conn.



GROWTH

A matter of natural development.

Our Growth has been persistent.

Our root extends down--not out.

We haven't spread much because we are rooted deep and lastingly in Illinois, Indiana, Kentucky, Missouri and Iowa.

Steady, persistent growth means permanent life.

Men who wish to make a connection or undertake to underwrite life insurance can make an unusually good connection with us now. Write for information and territory desired.

**CHICAGO NATIONAL
LIFE INSURANCE CO.**

202 South State Street

Chicago, Ill.

A. E. JOHNSON, AGENCY MANAGER

Security—

When the Mutual Benefit was organized in 1845 there were only a few Life Insurance Companies in the United States. Through the Wars, Panics and Epidemics of all these years, it has always stood safe and secure as a foremost disciple of Pure Life Insurance.

The Mutual Benefit Life Insurance Co. Newark, N. J.

Organized 1845

Celebrate With Us

Next June this Company will celebrate its Eightieth Anniversary with a great Convention in Philadelphia, to be attended by Field representatives from all parts of the country.

The PENN MUTUAL has places for capable, hard-working men and women who are devoted to the highest ideals of life insurance. Contracts are satisfactory, and the conditions and atmosphere of a Penn Mutual agency relationship are of the kind that creates enthusiasm and assures permanency.

The Penn Mutual Life Insurance Company Philadelphia, Pa.

Organized 1847

If Territory does make a difference	If You are a producer
If Close co-operation is necessary	If You believe in yourself
If A friendly interest is needed	If You want a REAL job

Write or wire

S. M. CROSS, President

COLUMBIA LIFE INSURANCE COMPANY Cincinnati, Ohio

LIFE INSURANCE COMPANY OF VIRGINIA

INCORPORATED 1871
RICHMOND, VIRGINIA
Issues the most liberal forms of ORDINARY Policies
with premiums payable annually, semi-annually or quarterly

INDUSTRIAL Policies up to \$1,000.00
with premiums payable weekly
CONDITIONS ON DECEMBER 31, 1925

Assets	\$ 46,562,667.40
Liabilities	39,940,092.25
Capital and Surplus	6,622,575.15
Insurance in Force	292,834,191.00
Payments to Policyholders	8,392,188.76
Total Payments to Policyholders since Organization	\$ 39,176,371.91

JOHN G. WALKER, President

In a supplementary message the governor charged that the Mid-Continent Life had made unlawful loans of large amounts, which had been approved by the insurance board, during the period

when E. W. Hardin was insurance commissioner. Mr. Hardin resigned under fire in 1924 and Jesse G. Read, present incumbent, was appointed to succeed him.

PACIFIC COAST AND MOUNTAIN FIELD

NON-MEDICAL RESULTS GOOD

Reports at Annual Meeting of West Coast Life Show Increase in Business—Many Auto Deaths

All directors of the West Coast Life were reelected at the annual meeting held in San Francisco Feb. 8. President Victor Etienne, Jr., reported an increase of \$1,523,979 in resources as a result of 1926 operations, with total new paid business of \$25,721,281 for the year. He called attention that in common with other companies it is still experiencing an increasing number of deaths by automobile accidents. Results from writing on non-medical or selective risk plan have been very satisfactory, he said.

Big California Group Case

Group insurance aggregating approximately \$4,000,000 and covering more than 8,000 employees of the Shell Company of California was recently placed by the company with the Metropolitan Life. The arrangement covers both contributory and non-contributory insurance, each employee who has been in the service of the company for more than three months being given \$500 of insurance for which the company pays the entire cost. The protection automatic-

ally increases \$100 each year until it reaches \$1,000. Supplementing the free insurance, the company will give an additional \$100 coverage each year provided the employee exercises a privilege of taking an equal amount at the favorable rate which the company pays for the free insurance.

Reliance Life's Denver Meeting

A meeting of the intermountain agents of the Reliance Life was held at Denver with 15 agents in attendance. H. R. Temple of Battle Creek, Mich., delivered an address to the agents. A banquet closed the meeting.

Springfield Life on Coast

The H. R. Jenkins agency in Los Angeles, which has heretofore confined its business to fire and casualty lines, has added a life department, having been appointed general agent for the Springfield Life of Springfield, Ill., for the state of California. This company was licensed in California several years ago, but its activities have been limited to collection of renewal premiums on approximately \$1,250,000 of business in force in that field. It is understood that Mr. Jenkins contemplates the immediate development of an active agency organization in southern California later extending his staff throughout the entire state.

IN THE ACCIDENT AND HEALTH FIELD

NOT TO QUIT HEALTH FIELD

Travelers Is Making Some Modifications, However, Which May Curtail Its Writings Still Further

Reports that have been current recently to the effect that the Travelers intended to withdraw entirely from the health insurance field were denied by officials of that company. The Travelers has not been keen for health insurance written under commercial forms of policies for a number of years and has made a number of changes and alterations in its plans, in an effort to get the business on a proper basis. While additional modifications are being made, which probably will curtail its writings this year still further, the company does not intend to quit the field entirely.

One of the changes made is a reduction in commissions on new business after Feb. 1 and discontinuance of policies that provide indemnities for non-confining illness, except one that has a waiting period of three weeks. None of the new modifications is being applied to group accident and sickness insurance.

Announce Round Table Topics

Harold R. Gordon, executive secretary of the Health & Accident Underwriters Conference, announces that at the mid-winter meeting of the Conference to be held in Chicago March 15-16, more than the usual amount of time will be devoted to round table discussions, which have become one of the big features of conference meetings. The topics to be discussed include: Life Indemnity; Do Agency Contests and Special Prizes Produce Good Business? Can the Nine Classifications in the Manual Be Reduced to Five or Six? Instruction of Agents, Cancellation of Policies, Waiting Period.

Subjects that may be discussed are: Disability Insurance on Deferred Payments, Lapsation, Direct-By-Mail Advertising.

INJURIES WERE INTENTIONAL

Death Resulting from Beating by Robbers Was Not Accidental Within Policy Terms

In Bryant's Adm's vs. Kentucky Central Life & Accident, court of appeals of Kentucky, 288 S. W. 766, the company issued a life and accident policy which contained the following stipulation: "Accidental death . . . shall not be payable for or as a result of . . . injury that is self-inflicted or intentionally inflicted upon the insured by any other sane or insane person . . . or while fighting or violating any law."

While this policy was in force the insured was attacked in his home and was severely beaten and rendered unconscious. His money, clothing and other valuables were taken, and he died without regaining consciousness. On this state of facts the company offered to pay the sum named in the policy for natural death, but declined to pay an additional sum for accidental death. The administrator of the estate brought action to recover the greater sum for the alleged accidental death of the insured. The trial resulted in a judgment in favor of the administrator for the lesser sum named. On appeal the higher court affirmed this judgment, holding that death resulted from injuries intentionally inflicted as excluded by the policy.

Entering West Virginia

The National Masonic Provident of Mansfield, O., has been admitted to West Virginia. Clarence B. Pike of Huntington is appointed resident agent.

The Mutual Benefit Health and Accident of Omaha has applied for admission to West Virginia.

Field Men Organize

The field men of the American Bankers of Jacksonville, Ill., have formed an organization. The purpose of the club

is to establish fixed rules in insurance salesmanship as to truth and honesty. Its officers are as follows: President, Ben. Hofman, Pekin, Ill.; first vice-president, C. H. James, Harrisburg, Ill.; second vice-president, P. A. Parks, Belleville, Ill.; third vice-president, Thomas Smith, Decatur, Ill.; secretary, H. C. Welch; executive committee, J. W. Hoffman, manager farm department; R. Y. Rowe, secretary of the company, and Chester Colton, Jacksonville, Ill.

Goodwin Returns to U. S. Mutual

A. C. Goodwin, formerly in charge of the monthly and commercial department of the United States Mutual of Chicago, has returned to the company's service, taking charge of the commercial department for the company in Detroit.

The United States Mutual in the past few weeks has been picking its best superintendents and using them in the different districts to put over special drives lasting one week in each district. Eleven superintendents sent from Chicago to Indianapolis for one week drive beat all records by averaging better than \$30 writing on each industrial debit.

Answers in Application

When Policy May Not Be Voided.—Held that where agent, authorized to take applications for insurance, knows that applicant's answers to questions in the application were made to the best of his knowledge and belief, and prove to be incorrect, they will not, in the absence of bad faith void the policy, and retain it by insured of the policy with application attached did not charge him with notice of the misrepresentations.—Schmitt vs. Mass. Protective, Sup. Ct. Minn.

Will Be Active in Management

In referring in a recent issue to the election of Chester W. McNeill, son of President G. Leonard McNeill of the Massachusetts Accident, as first vice-president and general manager of that company, through an unfortunate typographical error it was stated that he "will not have an active part in the management of the company." The statement should have been that he will now have an active part in the management.

National L. & A. Promotions

The National Life & Accident announce that W. D. Hall, who has been an outstanding producer in the Nashville district, has been promoted as manager at Bristol. M. C. Bryant of Birmingham is now superintendent. Mr. Bryant made a most creditable record on his debit. A L. Berry of Cleveland has been rewarded for his past good work by a promotion to a superintendency there.

NEWS OF FRATERALS

CRITICIZES PENDING MEASURE

Bill in Congress Would Let Officers Convert Fraternal Without Action by Members, Says Former W. O. W. Counsel

William B. Price of Lincoln, formerly of counsel for the Woodmen of the World, has caused to be printed in the Nebraska newspapers a statement which he says had been requested by members who have been puzzled over the introduction of a bill backed by officers of the organization, intended to pave the way for a change to a legal reserve life association.

Referring to the bill before congress and several state legislatures, he says it would permit fraternal to become co-operative, non-profit benefit associations by accepting its provisions. After such a transformation, says section 20, by a declaration of the officers, it could be organized into a legal reserve life company. Mr. Price adds:

"On the face of this, it looks as if it is a scheme whereby the officers can convert the society to a use not originally authorized, without submitting the question to the members or the governing body. No change can be made in the assets or the plan of doing business

without the consent of the membership. Any action or attempt to dispose of any of the assets of the society without this consent is, in my judgment, without force and effect." He quotes a supreme court decision to the effect that the state is required to see that the interests of members are not sacrificed by unauthorized usurpations of authority on the part of officers of the association.

Hearing on Massachusetts Bill

The insurance committee of the Massachusetts legislature gave hearing last week on a bill petitioned for by William T. Eldridge, representing the New England Fraternal Congress, which would amend the insurance law to allow fraternal to distribute their surplus funds for charity, educational work and expenses.

Advocates of the bill, representing most of the fraternal of the country, maintained that the required reserves and assets, with a 5 percent additional margin over the American Experience table, was fully adequate to protect the policyholders and that if the fraternal were to grow they must have more funds for expenses and for their charity and educational work.

Commissioner Monk opposed the bill on the ground that it was principally an attempt of the officers of fraternal to get their hands into the mortuary funds to raise their own salaries and pay heavier expenses. Deputy Commissioner Richardson also opposed the bill, which was reported unfavorably last year.

NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest," published annually in May at \$3.50 and the "Little Gem" published annually in April at \$2.00.

HAS LIFE EXPECTANCY FORM

Pacific Mutual Life Is Now Issuing Policy with Low Rate for Normal Period

The Pacific Mutual Life is issuing a new nonparticipating contract known as the life expectancy policy. The policy provides for the payment of the face amount at death of the insured, but under the life expectancy plan, the insured enjoys the benefit of a reduced rate during the entire period of his life expectancy or normal expected lifetime. At the close of the life expectancy period, the insured may continue his insurance as issued by paying a premium rate double that paid during the life expectancy period. If he does not wish to double his premium rate, however, he may continue to pay the same premium, in which event his policy will be reduced one-half the original amount. If this course is selected, the insured will receive, at the time of making the change, a cash value or its equivalent in paid-up insurance, arising from the portion of the insurance which is terminated. The policy will be issued with various forms of permanent and total disability benefits. No policy will be issued for an amount less than \$5,000.

The subjoined table shows the premium for \$1,000 of insurance payable throughout the life expectancy period at various ages of issue. The third and

Life Insurance in Force

June 30th, 1926
(Ordinary and Industrial)
\$342,950,956.00

Surplus Security to Policyholders
\$4,067,683.48

Conservative Progress Every Year. Operating
From Coast to Coast, Canada to the Gulf,
Cuba and Hawaiian Islands.

**AMERICAN NATIONAL
INSURANCE COMPANY**
Galveston, Texas

W. L. Moody, Jr.,
President

Shearn Moody,
Vice-President

W. J. Shaw,
Secretary

Con mū topics

(Topics of The Connecticut Mutual)

Vol. II

February, 1927

No. 2

Progress in 1926

INCREASE IN INSURANCE IN FORCE

Dec. 31, 1926, in force.....\$673,851,781

Dec. 31, 1925, in force..... 608,770,231

GAIN.....\$ 65,081,550

**THE CONNECTICUT MUTUAL
LIFE INSURANCE COMPANY**
HARTFORD

You Should Not Be Interested

in reading this unless you have something to sell, buy or say to insurance men. You can reach thousands of interested men through the use of these columns. Without a doubt, you will be agreeably surprised with the results ads in the advertising columns will receive.

George Washington Life Insurance Company CHARLESTON, WEST VIRGINIA

HARRISON B. SMITH, President

presents opportunity for liberal contracts covering definite territory with Home Office registry and with power of appointment of sub-agents.

The States of West Virginia, Virginia, Ohio, Kentucky, Tennessee, South Carolina, North Carolina, Georgia, Michigan, Oklahoma and Washington.

Address

ERNEST C. MILAIR, Vice-President and Secretary



New Increased Dividend Scale

Effective January 1, 1927

...

NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY

BOSTON, MASS.

...

This Company is now in the very Forefront on Low Net Cost

We have openings in Ala., Ark., Del., D. C., Fla., Ga., Ill., Ia., Kans., Md., Mich., Minn., N. M., N. C., Okla., S. D., W. Va. and Wyo.

Our Agents Have

A Wider Field—

An Increased Opportunity

Because we have

Age Limits from 0 to 60.

Policies for substantial amounts (up to \$5,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i. e. Annual, Semi-annual or quarterly premium plan.

Participating and Non-Participating Policies.

Same Rates for Males and Females.

Double Indemnity and Total and Permanent Disability features for Males and Females alike.

Standard and Substandard Risk Contracts, i. e. less work for nothing.

THE OLD COLONY LIFE INSURANCE COMPANY of CHICAGO

B. R. NUESKE, President

YOUR OPPORTUNITY

DISTRICT MANAGERS—GENERAL AGENTS

Splendid Inducements

We've had Twenty Years consistent growth and are now ready for a Broader Expansion Program.

Home Office Co-operation—Up-to-date Policies.

Operating in Iowa—Minnesota—So. Dakota—Nebraska.

Write us in confidence to see if our desires and Qualifications are Mutual.

A Clean Record—Ability—and a willingness to work hard are the most essential Qualifications.

Address U-54, c/o

THE NATIONAL UNDERWRITER.

ALAMO LIFE INSURANCE COMPANY

Graham Dowdell, Pres.

A progressive up-to-date company with a program of expansion and growth.

All Texas is our field.

"The Fast Growing Company of the Southwest"

San Antonio, Texas

fourth columns show the age at which the life expectancy period will close for each age of issue, together with the premium payable thereafter to maintain the face amount of the insurance. The fifth column shows the cash option payable in case the insured prefers to continue paying his original premium, receiving but one-half the amount of insurance in addition to the cash. The sixth column indicates the amount of paid up insurance this extra cash value will buy in case the insured elects to apply the extra cash value in this manner:

Life Expectancy Policy					
Age at Issue	Prem.	Attn. Expec.	Prem. Expec.	Cash option	Paid up ins.
16	\$11.70	61	\$23.40	\$195	\$305
17	11.90	61	23.80	193	302
18	12.18	62	24.36	201	308
19	12.39	62	24.78	198	304
20	12.62	62	25.24	196	300
21	12.94	63	25.88	204	306
22	13.19	63	26.38	201	303
23	13.45	63	26.90	198	299
24	13.72	63	27.44	196	294
25	14.11	64	28.22	203	300
26	14.41	64	28.82	200	296
27	14.73	64	29.46	197	292
28	15.13	65	30.36	205	297
29	15.53	65	31.06	201	292
30	15.90	65	31.80	198	288
31	16.42	66	32.84	205	292
32	16.83	66	33.66	201	287
33	17.26	66	34.52	197	281
34	17.88	67	35.76	204	287
35	18.36	67	36.72	200	281
36	18.87	67	37.74	196	275
37	19.40	67	38.80	191	269
38	20.17	68	40.34	198	273
39	20.77	68	41.54	193	266
40	21.39	68	42.78	188	259
41	22.09	68	44.18	182	252
42	23.11	69	46.22	188	255
43	23.91	69	47.82	182	248
44	24.75	69	49.50	176	239
45	25.97	70	51.94	181	243
46	26.96	70	53.92	175	234
47	27.98	70	55.96	168	224
48	29.06	70	58.12	160	215
49	30.68	71	61.36	165	217
50	31.91	71	63.82	157	207
51	33.19	71	66.38	148	196
52	34.54	71	69.08	140	184
53	36.62	72	73.24	143	186
54	38.15	72	76.30	134	174
55	39.74	72	79.48	124	161
56	42.15	73	84.30	116	148
57	43.82	73	87.64	116	134
58	45.51	73	91.08	105	124
59	48.47	74	96.94	106	134
60	50.41	74	100.82	95	120

Writes Lower Ages

The company has also revised its age limits to include applicants from ages 10 to 15 inclusive, on both participating and non-participating bases. Boys will be considered for all plans regularly issued by the company except term, modified life or life expectancy policies and girls will be considered only for 10, 15 and 20 year endowment policies. The maximum amounts which may be issued

are as follows: ages 10 and 11, \$10,000; 12 and 13, \$15,000; 14 and 15, \$20,000. The insurance will be issued at the same premium rates and with the same non-forfeiture values as are applicable for age at issue 16. No permanent total disability, temporary accident and sickness or accidental total loss benefits will be granted.

COLUMBIA LIFE'S CHANGES

Cincinnati Company Discontinues Its Ordinary Contract, Substituting an Endowment at Age 85

The Columbia Life of Cincinnati has just issued a new rate book. The principal changes are that the regular ordinary life has been discontinued and in its place there is the endowment at age 85. An endowment at 65 has been added and a new disability clause has replaced the old. The new disability clause recognizes total disability of three months as being permanent for the purpose of beginning payments. Should the insured delay in submitting his claim he will not lose his income for the clause provides that in such cases the income dates back but not over six months. Following are the participating premiums per \$1,000 on the two new forms, and the new disability rates:

Age	End. 85	End. 65	Age	End. 85	End. 65
15....	\$15.95	\$18.08	38....	\$28.39	\$37.80
16....	16.24	18.49	39....	29.37	39.57
17....	16.59	18.92	40....	30.41	41.51
18....	16.88	19.39	41....	31.51	43.61
19....	17.22	19.87	42....	32.68	45.92
20....	17.58	20.38	43....	33.93	48.44
21....	17.95	20.93	44....	35.26	51.22
22....	18.34	21.50	45....	36.68	54.30
23....	18.75	22.11	46....	38.19	56.14
24....	19.19	22.75	47....	39.80	59.70
25....	19.64	23.43	48....	41.52	63.69
26....	20.12	24.15	49....	43.36	68.16
27....	20.62	24.92	50....	45.32	73.20
28....	21.15	25.73	51....	47.41	78.94
29....	21.71	26.60	52....	49.64	85.53
30....	22.30	27.53	53....	52.03	93.17
31....	22.92	28.52	54....	54.58	102.14
32....	23.58	29.57	55....	57.31	112.82
33....	24.27	30.70	56....	60.23	125.78
34....	25.01	31.93	57....	63.36	141.86
35....	25.78	33.23	58....	66.72	162.37
36....	26.60	34.67	59....	70.32	189.50
37....	27.47	36.15	60....	74.19	227.19

Disability Rates Per \$1,000

Age	Spec. Ord. Life	End. 85	20 Pay Life	20 Yr. End.
15....	\$3.02	\$3.02	\$3.96	\$2.67
20....	3.02	3.02	3.96	2.67
25....	3.17	3.17	3.95	2.79
30....	3.38	3.38	3.92	3.00
35....	3.68	3.68	3.87	3.33
40....	4.10	4.10	3.80	3.92
45....	4.74	4.74	4.40	4.49
50....	5.83	5.83	5.35	5.35
55....	8.33	8.33	7.46	7.26

NEWS OF LOCAL ASSOCIATIONS

PITTSBURGH CONGRESS PLANS

Notable Headliners Announced for Gathering to Be Held March 3—Expect Attendance of 1,000

Announcement is made by H. S. Brownlee, executive secretary of the Pittsburgh Life Underwriters Association, that the sixth annual sales congress of the Pittsburgh association will be held at the William Penn Hotel, March 3, the morning session starting at 9:45.

Four nationally known speakers will appear on the program: Dr. S. S. Huebner of the Wharton School of Finance & Commerce of the University of Pennsylvania, whose subject will be, "How Life Insurance Benefits the Premium Payer;" I. S. Kibrick, a prominent agent of the New York Life in Brockton, Mass., who will speak on "Civic Service and the Life Underwriter;" F. D. Van-Amburgh, president and editor of the "Silent Partner," who will speak on "How to Fail." It is expected that a home office official of one of the companies writing industrial business will be the fourth speaker.

Howard S. Sutphen, president of the association, has appointed M. B. Cahill as general chairman of the executive committee of the congress and A. G. Ashbrook as vice-chairman.

Plans are being made for an attend-

ance of 1,000 life underwriters of western Pennsylvania.

SEEK PROFESSIONAL STATUS

Agents Must Realize That Not Talk but Genuine, Unselfish Service Will Attain Goal

LINCOLN, NEB., Feb. 9.—Not until the insurance man can attain in actual practice the ideals that the profession of medicine, for instance, practices, can he hope for recognition as a professional man said C. Petrus Peterson, general counsel for the Bankers Life of Nebraska, at the February meeting of the Lincoln life underwriters. The doctor is readily admitted to be a professional man he said, because in his work it is necessary for him to place his patient's interests above his own, and to destroy his own income by making that patient well. But from this apparent conflict of interest rises the fact that because he is able to make his patients well, he increases his practice and his income by this apparent destruction of it.

Is High Standard

This is a high standard for life insurance men, but the analogy is good. The drift is all in that direction. The insurance agent is getting away from the similarity to other salesmen in the use of

over-persuasion and putting his own interest first. It is no discredit to an automobile salesman, who does not pretend that his is a profession, that he doesn't advise his prospective buyer to select a machine that he can afford and which is best adapted for his use, but that is what an insurance salesman must do if he desires to be classed with the doctor. A profession also calls for learning, which means preparation and qualification. Here also the trend is strong and companies and the institution as a whole are backing the program of better trained men.

Mr. Peterson predicted that the outstanding insurance man of the future will be the one who has succeeded in getting the community to place as much confidence in him as it puts in the doctor of today. Insurance cannot be made into a profession merely by calling a name. It must earn it by treating it as a profession.

Franklin Mann, general agent for the state for the Northwestern Mutual, brought words of greeting from the Omaha association, and a message that he summed up as "do a little more work than you want to do."

President Dobbs named the following committees: Legislative, M. L. Palmer, W. H. Logan and H. W. Noble; membership, C. R. Bigelow, J. R. Davis and Lloyd Rolfe. Dues have been reduced to \$5 a year, and monthly meeting hour changed to noon.

ANNUAL MEETING IN CANADA

Life Underwriters Association Elects Officers and Considers Some Problems Affecting the Business

At the recent annual meeting of the Life Underwriters Association of Canada, the following officers were elected for 1927: Honorary president, A. L.



A. L. PETTY
Honorary President Canadian Association

Petty, Winnipeg; president, John T. McKay, Vancouver; vice-president, William May, Jr., Toronto; honorary secretary, J. B. Hall, Toronto; honorary treasurer, S. C. Vinen, Toronto; chairman educational committee, F. Robinson, Toronto; chairman publicity committee, F. T. Stanford, Toronto; chairman legislative committee, W. Lyle Reid, Ottawa; chairman advisory board of the "Life Underwriters News," A. D. Anderson, Toronto. J. G. Taylor and William May were appointed to represent the association on the joint committee with the life officers and life agency officers.

The executive committee gave approval to the proposal advanced by the superintendent of insurance for Quebec to amend the rebating law of the province so that while both parties involved may rebate a case will be liable, the informer should be exempt from penalty. A motion was passed that the executive committee endorse the unrestricted is-

suance of license to agents in cases of bona fide full time agents while for part time men all licenses be first approved by a board consisting of a representative of the superintendent, the company and the underwriters association.

The speakers at the luncheon were T. G. McConkey, president of the Life Officers Association; J. F. Weston, general manager of the Imperial Life, and George H. Hunt, superintendent of agents of the company.

Rochester, N. Y.—Dr. S. S. Huebner, professor of insurance at the Wharton school of commerce and finance of the University of Pennsylvania, spoke on "What Life Insurance Does for the Payer of the Premium," at the annual meeting of the Rochester association last week. This was the largest annual dinner in the history of the association, nearly 600 attending. Prominent people in Rochester business and civic life were guests of honor.

Davenport, Ia.—Dr. S. S. Huebner of the Wharton School of Commerce and Finance of the University of Pennsylvania addressed a meeting at Davenport on "Life Values and Their Scientific Management Through Life Insurance." Dr. Huebner spoke over the radio in the evening before he addressed the Iowa State Association of Life Underwriters on "What Life Insurance Does for the Premium Payer." J. A. Cosgrove, vice-president, announced that the next regular meeting of the association would be held Feb. 12, at which time the applications of about 25 names will be voted on for membership. Chester O. Fischer, general agent of the Massachusetts Mutual Life at St. Louis, will be the principal speaker at the March meeting. A. W. Van Houten, president of the association, was chairman of the committee on arrangements.

Sioux City, Ia.—Nearly 200 insurance men from Iowa, Nebraska and South Dakota gathered in Sioux City last week to attend the first sales congress under auspices of the Sioux City association, conducted by Prof. S. S. Huebner of the University of Pennsylvania. Rex Truedell, president of the Sioux City association, presided.

At the close of the day's session a three-act playlet was presented by a cast composed of a number of local insurance men, followed by Dr. Huebner's address, "Human Life and Its Scientific Management Through Life Insurance."

Kansas City, Mo.—The Kansas City association held its regular meeting Feb. 10. Ralph H. Rice, president of the National Fidelity Life, was in charge of the meeting.

Baltimore—The regular monthly meeting of the Baltimore association was held Thursday. George C. Smith, executive vice-president of the Baltimore Association of Commerce, spoke on "Baltimore and Its Commercial and Industrial Development," and Charles T. Tushingham, educational supervisor of the Provident Mutual Life, on "The Pathway to Primacy."

Pittsburgh, Pa.—At the February meeting of the board of directors of the Pittsburgh association, Robert A. Lyne of Lyne & Sons, managers of the Union Central in Pittsburgh, was elected first vice-president of the association. The vacancy in this office was created when Harold D. Kraft left Pittsburgh to take the general agency of the Standard Life in Washington, D. C. Robert A. Lyne is a son of W. C. Lyne, one of the two surviving organizers and charter members of the Pittsburgh association.

The Pittsburgh association has appointed as a speakers' bureau committee L. E. Wilt, chairman, W. Rankin Furey,

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Vice-Pres. & Med. Director

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Vice-Pres. & Secretary
CARL MITCHELTREE
Actuary & Asst. Secy.
LEWIS STOUT
Counsel

S. A. HOSKINS
Vice-Pres. & Treasurer
C. R. BACKUS
Assistant Treasurer

Nineteenth Annual Statement

January 1, 1927

ASSETS

First Mortgage Loans.....	\$7,101,855.41
Liberty and Municipal Bonds (market value).....	361,439.14
Real Estate	999,017.36
Loans to Policyholders.....	758,890.34
Due and Accrued Interest and Rents.....	160,253.75
Due and Deferred Premiums.....	303,591.88
Premium Notes and Other Assets.....	226,452.34
Cash in Bank.....	32,058.78

Admitted Assets

LIABILITIES

Net Premium Reserve.....	\$7,481,033.17
Dividends left to Accumulate.....	735,785.25
Premiums and Interest Paid in Advance.....	36,037.45
Taxes and other Liabilities.....	188,020.67
Special Fund for Dividends to be paid Policyholders in 1927	345,824.58
Capital Stock	\$500,000.00
Net Surplus	656,857.88
Surplus to Policyholders	1,156,857.88

Total Liabilities

Total Payments to Policyholders	Surplus to Policyholders
\$5,311,244.27	\$1,156,857.88
Saved for Policyholders	Dividends to Policyholders
\$9,943,559.00	in 1926
Total Dividends to Policyholders	\$452,700.49
\$2,153,372.60	Death Losses Paid in 1926
Total Death Losses Paid	\$479,203.73
\$1,782,915.87	Premium Income in 1926
Insurance on Policyholders' lives	\$3,025,159.04
\$90,782,983.00	Insurance written in 1926
	\$20,756,797.00

Record of Recent Gains

Close of Year:	Insurance in Force	Admitted Assets	Surplus to Policyholders
1924	\$72,296,914.00	\$6,627,709.33	\$1,014,024.29
1925	\$80,435,382.00	\$8,268,748.23	\$1,094,032.50
1926	\$90,782,983.00	\$9,943,559.00	\$1,156,857.88

The Columbus Mutual Life Insurance Company

Distributes more in dividends to policyholders than it pays in death losses.

Furnishes insurance at an unusually low cost.

Do your fellow agent a good turn—get him acquainted with The National Underwriter, the real insurance newspaper.

THE SECURITY LIFE INSURANCE CO. OF AMERICA

O. W. JOHNSON, PRESIDENT

WITH

Insurance in Force.....Over Fifty Million
Assets

AND THAT HAS

Paid Policyholders since organization.....Five Million

WANTS—General Agents and Managers in 17 states

Contract—Commissions or commissions and expense allowance

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Charles B. Horton, Charles M. Erwin, Allen M. Klages and J. M. Myers. The speakers will always be introduced, not as representatives of a certain company, but as representatives of the Pittsburgh Life Underwriters' Association, and the talks will be strictly from an institutional standpoint. It is also hoped that through this bureau an exchange of speakers for agency meetings can be arranged.

The following subjects have been suggested by the committee: The Human Value in Business Compared With the Property Value; A Modern View of Life Insurance; How to Spend Your Life Insurance Check; How Much Life Insurance Should One Own? Business Insurance; Adequate Securement of Loans and Mortgages; Educational Insurance; The Modern Way of Creating Institutional Endowments and The Creation and Conservation of Estates.

Saginaw, Mich.—Guy A. Reem of Detroit, Canada Life district representative and former Saginaw agent, talked on "Trusts and Wills in Relation to Life Insurance," at the weekly luncheon of the Saginaw association. Mr. Reem was vice-president of the local association when he was transferred to Detroit. His successor as local district manager, Glenn M. Reem, a brother, is now president of the association.

Colorado—Plans for the annual sales congress of the Colorado association, which will be held in Denver March 22, were begun at a meeting of executives of the organization the past week. More than 400 life insurance salesmen are expected to attend the parley at which several nationally known life insurance executives and sales experts will speak. W. W. Winne is general chairman of the sales congress.

WITH INDUSTRIAL MEN

NEWS OF THE PRUDENTIAL

Company Announces Some Promotions of Men Who Have Made Good Agency Records

A regional conference recently was held at Washington, D. C., and was attended by Prudential representatives from New Jersey, Pennsylvania, Maryland and the District of Columbia.

Recent Division N promotions to assistant superintendents follow: William O. Price of Nashville, Tenn.; Jesse M. McLendon of Atlanta, Ga.; Gordon A. Coater of Baltimore No. 1; Robert C. Dray of Miami, Fla.; William F. Liles of Memphis; Joseph Spremull of Norfolk, Va.; Adolph M. Timmons of Greenville, S. C.; and Edward L. McCoy of Washington No. 2.

George W. West, Jr., formerly an agent in Burlington, N. J., has been promoted to be an assistant superintendent in the same city.

During December and January Division "A" promoted seven agents to be assistant superintendents. They are Edward Dacre of Mt. Vernon, N. Y.; John J. Pick of Yonkers; Isidor Dauman of New York No. 1; Frank H. Bell of New York No. 11; William R. Ragette of New York No. 10; Louis Boccardi of New York No. 10; and Harry Harris of New York No. 13.

A familiar name heads the ordinary leaders of Division "E" for 1926—that of a Loynd. This time it is Agent William R. Loynd of Tarentum, Pa., where his father is superintendent. Agent Loynd has been carrying a rate book for 10 years and always has been listed on the records for ordinary production. During 1926 the totals exceeded all former figures and at the close of the year he led the entire agency staff of Division "E" and was ranked ninth among the field force.

The next three agents in line for ordinary production were Elmer C. Hollabaugh of Oil City; Charles H. Robertson of Dubois; and Alfred L. Carothers of Altoona No. 1. Mr. Carothers was recently advanced to assistant superintendent and assigned to Lewistown, Pa.

Thomas J. Ryan was recently promoted to be an assistant superintendent in the Holyoke, Mass., district.

V. H. Fenner has been promoted to be an assistant superintendent in the Rochester No. 1 district.

Agent N. T. Beber of Buffalo No. 1 is starting the new year with a creditable showing in industrial. He is the

second leading agent in Division "H" and has a prominent ranking among the company's leaders.

Division "Q" welcomes to its superintendency ranks Albert W. Clevenger, who has been promoted to take charge of the San Francisco No. 1 district.

The leading assistant superintendent in West Virginia in industrial net increase for 1926 was Ellis R. Hubbard of Beckley, detached of the Charleston, W. Va., district. Hubbard completed his first five years of service with the company in November, 1926.

News of the Prudential

The Prudential has added an assistant in the Detroit 4 district and another in Detroit 1. Agent E. Russell Wampler of the former district was promoted to assistant superintendent there, and Agent Ernest L. Coates of Detroit 1 was promoted in that district.

Ellis J. Carman, an agent in Plainfield, N. J., has been promoted to assistant superintendent of the Burlington, N. J., district.

Recent promotions in Division "F" to assistant superintendents were John Kostelniczak, Cleveland 4; Vernon F. Hoobler, Cleveland 5; Harry E. Willis, Ashland, Ky.; and Enos O. Luginbuhl, Cleveland 3.

Wilbur G. Garlinger of Webb City, Mo., which is part of the Joplin, Mo., district, has been promoted to superintendent of that district.

John Hancock Changes

The following named men have been promoted by the John Hancock from agents to assistant superintendents in the districts of their service: William E. Kleeman, Chicago III; Ralph D. Butler, Detroit IV; Harry Miller, Paterson, N. J.; Marion M. Offley, Baltimore; John H. Harre, Jamaica, L. I.; Robert W. Carroll, Salem, Mass.; Harry Elchel, New York II; Max Finkelstein, New York IV; Bernhardt H. Peterson, South Bend, Ind. (Michigan City Det.); Edwin Furray, South Bend, Ind.; Samuel Arkin, Kansas City; Bertram A. Scott, Cambridge, Mass.; Willie W. Fortin, Portland, Me. (Lewiston and Auburn Det.).

The following have been promoted and transferred: Ralph P. Schley, from agent at Hempstead, to an assistant superintendent at Staten Island, N. Y.; Karl E. Russell and George M. Bell, from agents at Flint, Mich., to assistant superintendents at Saginaw, Mich. (new agency); Donald E. Golsmith, from agent at Detroit V to an assistant superintendent at Toledo. Assistant Daniel M. Doyle has been transferred from Flint (Bay City Det.) to Saginaw (Bay City Det.).

Other changes are: Harold C. Barkley, assistant cashier at Chicago II, to cashier at Louisville; Laurel G. Stevens, training cashier at Portland, Me., to cashier at Burlington, Vt.; William Schneider, assistant cashier to cashier at Brooklyn I; Ronald A. Baldwin, from training cashier at Flint to cashier at Saginaw, Mich.

Mid-Western Life's Record

The Mid-Western Life, the running mate of the United States Mutual of Chicago, has been making a wonderful record in its industrial department in Chicago the past eight months, having made over \$2,000 weekly increase.

TRAVELERS ANNOUNCES ADVANCEMENT OF EIGHT (CONTINUED FROM PAGE 6)

the revolutionary disturbances suspended the operations of his employer in 1912 he returned to Canada with the Consolidated Rubber Company, serving with that corporation until 1920, except for three years of service with the Canadian army in Europe during the world war. Mr. Kuehner joined the Travelers as special agent at Montreal and in June, 1921, he was transferred to the Hartford branch office. A year later he became assistant manager and on June 1, 1924, he was promoted to manager. He went to Chicago on May 1, 1926 during the illness of Manager W. H. Kolb of that city and now returns to Hartford in a home office position.

Reber Has Been Group Supervisor

Mr. Reber, after being graduated from college was employed by the Southwestern Bell Telephone Company, resigning as district manager for that corporation in order to enter the army during the world war. He attained the rank of captain. After returning to civil life in

1919, Mr. Reber was engaged in the automobile business. He entered the Travelers on April 1, 1921 as a special agent. The next year he was made assistant manager in the Kansas City branch and on Feb. 1, 1926 was transferred to the Hartford branch in the same capacity. On Oct. 1 of last year, he was made group supervisor and had extraordinary success in his field activities.

Moss Comes from Iowa

Mr. Moss, after being graduated from high school, engaged in business as salesman and manager for the State Loan Company of Cedar Rapids, Iowa, and as a salesman for a Chicago roofing concern. He joined the Travelers as a field assistant in the Des Moines branch office, June 15, 1920. He was transferred to the Cedar Rapids branch on June 1, 1922, and in the latter part of that year to the St. Louis branch office, where he became assistant manager on April 1, 1924. He was brought to the home office on Oct. 15, 1924 as a group supervisor and he has made an unusual record in his group field work.

Started at Chicago

Mr. Kniggs has been in the agency department of the Travelers home office for several months. After finishing college he served in the navy during the world war and then became a salesman for the National City Company. After acting as manufacturer's agent for one year, and a short experience in the real estate business at Los Angeles, and as field representative of the United States Chamber of Commerce he went to the Travelers as field assistant of the life. In June of last year he was transferred to the home office agency staff.

Served in New York City

Mr. Murtaugh's first insurance work was as an examiner in one of the Hartford fire companies. He left to enter the army during the world war and became battalion adjutant of 102nd infantry and later captain in the regular army. He participated in many major engagements and now holds the rank of major in the 304th infantry reserve corps. Mr. Murtaugh joined the Travelers on June 5, 1920 as special agent in indemnity lines, then became special agent, casualty lines and later assistant manager in New York city. Mr. Murtaugh was promoted to the home office agency department late in 1926 and is particularly fitted for his new work.

Guaranteed Securities Licensed

A certificate of authority to write business in Kansas has been issued by the insurance department to the Guaranteed Securities Life of Topeka. This is one of the companies which was required to change its name by reason of the congressional act prohibiting the use of the word "Reserve" in the name of a life insurance company. The issuance of the certificate was delayed until the corporate name could be changed. Charles Dingman, formerly with the National Reserve Life of Topeka and four years ago a candidate for the Republican nomination for superintendent of insurance, is the promoter of the company.

Steady Chosen Actuary

Russel G. Steady of Toronto, Can., has been appointed actuary of the American Bankers of Jacksonville, Ill. He is connected with the actuarial department of the North American Life of Toronto. He graduated from the University of Toronto in 1921. He entered the employ of the North American Life and has been with that company ever since.

Approve Reinsurance Deal

The Illinois insurance department has approved the reinsurance of the International Life & Trust of Moline, Ill., with the Crescent Life of Indianapolis. The International will go into the hands of a receiver for liquidation. The Crescent Life takes over the business and will give it considerably more momentum. Bertram Day is president of the Crescent Life.

Breakfast Plan Is Used for Conference

DARBY A. DAY, Chicago general agent of the Union Central Life, has inaugurated breakfast conferences for the usual Monday morning agency meetings. In this way considerable time is saved and there is less formality about the proceedings. Mr. Day has the men to breakfast at 8:30 or 9 o'clock Monday morning at one of the hotels. The men therefore are through and ready to start out at 10 o'clock. Mr. Day adopted this plan largely because at conventions these days considerable business is transacted at the breakfast conferences. President Coolidge follows this plan.

Hold Educational Conferences

The Phoenix Mutual Life has announced a series of four educational conferences for its agents to be held in May, June and July, 1928. The company's entire territory has been divided into four divisions, eastern, southern, central and western. The southern division will meet in May at Lookout Mountain, Tenn., the central division at Niagara Falls, N. Y., in May; the western division in June will meet in the Rocky Mountains and the eastern division will meet at Bretton Woods, N. H., in July.

John Hancock's Loans

Total new investments made by the John Hancock Mutual in 1926 amounted to \$65,093,506. Of this amount, \$29,291,052 were farm loans and \$25,434,546 on city and suburban property, principally dwellings. Other investments, including bonds of railways and public service corporations, amounted to \$10,367,908.

In January, 1927, the John Hancock Mutual accepted 504 loans on farms for \$2,966,064 and on 123 mortgages on city property for \$1,419,640. Of the latter, 104 were on city dwellings and 16 on apartment buildings, housing 312 separate families.

Aetna Life Council to Meet

The advisory council of general agents of the Aetna Life, consisting of 10 general agents, of which W. R. Harper of Philadelphia is chairman, will meet at the home office in two or three weeks to take up with the various departments anything that seems desirable to suggest. This advisory council was authorized and appointed at the meeting of general agents last fall. It is a new departure in the Aetna but serves to bring the home office and the field more closely together.

Makes Chicago Headquarters

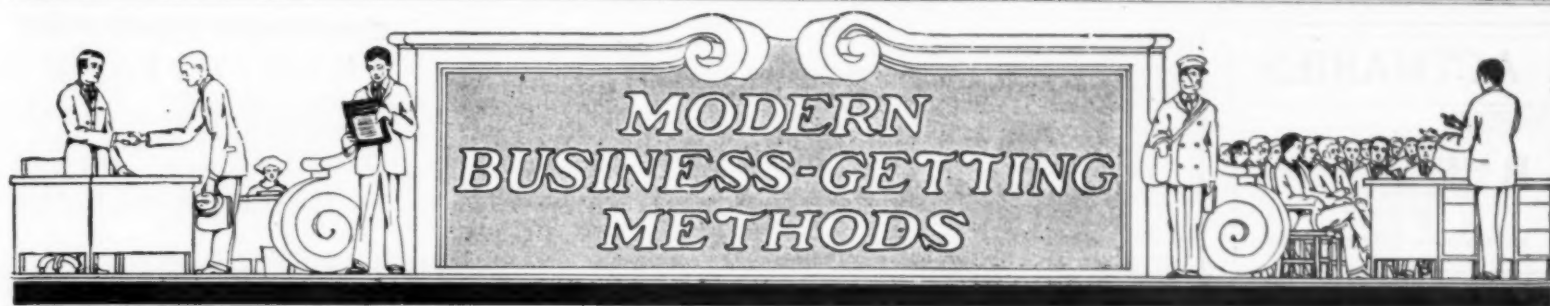
J. F. Egan, division manager of the ordinary department of the American National of Galveston, has opened headquarters at 816 New York Life building, Chicago. He has supervision over Illinois, Iowa, Missouri, Kansas, Michigan and Minnesota. Vice-President Shearn Moody and Manager of Ordinary Agencies Will H. Ford have been in Chicago for some days. E. C. Gearhart, who has been appointed Chicago manager, will have his headquarters with Mr. Egan. Mr. Gearhart was formerly with the Old Line Life of Milwaukee.

Research Bureau Sets Meeting Dates

The spring conferences of the Life Insurance Sales Research Bureau will be held at St. Louis, May 23-25, and at Toronto, June 13-15. The annual meeting of the Life Insurance Sales Research Bureau and the Association of Life Agency Officers will be held at the Edgewater Beach Hotel, Chicago, Nov. 1-2.

Old Policyholders Good Prospects

The Equitable Life of Iowa wrote 32.7 percent of the total 1926 paid-for business on the lives of old policyholders. The total insurance paid-for by the company during the year was \$83,909,291. The business paid-for from old policyholders totaled \$27,394,114.



Production Experience Table for Life Insurance Salesmen Gives Opportunity To Reach Higher Stage of Efficiency

By JOSEPH J. DEVNEY, Cleveland

LIFE insurance was handicapped in its early days because almost nothing was known about the thing with which it was dealing, the laws of mortality. Companies therefore groped their way along in darkness, with the inevitable result of numerous failures. Today they go ahead safely and with assurance. They are guided by the light of knowledge.

Compile a Production Experience Table

The big element with which salesmen deal is production. There are laws which govern production, and the more agents know what they are and apply them, the greater assurance they have and the better are their chances of success. In undertaking to produce a production experience table we must have a definite base to build upon. Since all agents cannot sell the same sized policies because of the difference in their experience, etc., and since all cannot make the same number of calls per day

as some work in country districts while others work in cities, neither of these factors makes an ideal base.

Time Is Essential Element to Agents

But there is one element which is universal, namely, time. We shall therefore use that as our base, and then consider calls, interviews, applications, policies and compensation, accordingly. At this point it is advisable to define terms as they are to be used. By a "call" I mean any actual attempt to see a person for the purpose of selling him life insurance, whether it results in an interview or not. If he is not in, is busy or cannot be seen for any reason, it should be recorded as a "call." By an "interview" I mean a reasonably thorough talk on life insurance.

Should Make 15 Calls Each Day

These days a 44-hour week for workers is considered reasonable; eight hours

a day for five days and four hours on Saturday. Here is what an average agent ought to be able to accomplish by working 44 hours a week: Make 13 calls per day for a minimum of five days a week, which is 75 calls per week. Seventy-five calls per week should result in at least 33 interviews. Thirty-three interviews should result in a minimum of 3 applications.

Calls Average 24 Minutes Apiece

In cities, calls require an average of about 24 minutes each. This includes those which result in interviews. (Agents working among farmers cannot make so many calls per day, but they secure a larger percentage of interviews, which offsets this.) At 24 minutes per call, 15 calls a day require 6 hours outside work daily, or 30 hours per week. This leaves 14 hours during the week for work incidental to the business and preparations to make the interviews effective. It is advisable to endeavor to make the 75 calls in five days. This leaves Saturdays to make up the deficit when they cannot be made in five days.

Gives \$6,750 as Annual Income

If the policies average \$2,500, the weekly production is \$7,500. Figuring 50 working weeks a year, this means an

annual production of \$375,000. If commissions average \$20 per \$1,000, that is \$50 per policy. If it requires 14½ hours to sell a policy, that is about \$3.40 per hour. It is \$2 per call, where interviews are secured and where they are not. It means \$150 per week for 50 weeks, or \$7,500 per year. If we figure 10 percent for rejections, that leaves a net earning of \$6,750.

Continuous Effort Is Highly Important

To produce results according to this table, work should be continuous at least five days each week. Fifteen calls on Monday, Wednesday and Friday of one week and Tuesday and Saturday of the next totals 75 calls, but this broken effort is less apt to produce the table results. Every time a salesman diverts his mind and efforts from life insurance for a day or two he "cools off" like a motor. And when he starts again he is likely to waste an interview or two before he gets warmed up to his subject.

Keep After Prospect While He Is Interested

Intermittent work also results in prospects "cooling off." It is much better to see a live prospect twice in a week than twice in two weeks or two months. If a prospect gets a good talk on Tuesday he may be half sold and his applica-



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Agents of the Equitable Life of Iowa are loyal, satisfied, happy agents, proud of the company they represent and anxious to carry out the company's program of enduring service.

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tion could be secured by another good interview on Thursday. But if he is not seen again for a week or two, much of his interest is likely to have vanished.

Furthermore, to produce the table results, new prospects must be secured constantly. At least three of the 15 daily calls should be made on new people. It is a generally accepted fact that if a prospect cannot be sold in two or three good interviews it is more profitable to work on a new prospect than to continue calling on him. He had better be left alone for at least three months, unless his age changes or something special happens in the meantime.

Business Conditions Have Little Effect

The question naturally arises, "Do not business conditions affect the law of average in sales?" Life insurance is less affected by business conditions than other lines; first, because it is creative; second, because its price does not fluctuate, and third, because, when business depressions come and values slump, people see how much better it is to put their money into life insurance.

Some People Always Have Sufficient Money

Here is another factor. No matter what business conditions are, there is always a large number of people who are working on a salary basis; there are always certain classes of men in business who are making money and there are always people who have money. Furthermore, there are many business men hard pressed financially whom life insurance will save from ruin when nothing else will. When the creditors of Frank Peavey of Minneapolis were about to force him into bankruptcy he took a \$1,000,000 policy and saved himself and his creditors too.

Build for Future in Subnormal Times

There are more good prospects in any territory at any time than any agent therein can see. In addition to current tangible results, a life agent who applies himself assiduously to his work when conditions are subnormal has the advantage of building for the future. Many a man will say he wants to insure and will promise to do so when he has the money. These promises are mighty fine leads when business becomes normal.

Schedule Is Conservative Under Worst Conditions

Let us analyze our table and see if we have not made it conservative under the least favorable conditions. We allow 11 interviews for a sale. Since some agents average one sale to every two or three interviews, this indicates that when any agent cannot do one-fifth as well, the fault lies with him, not with conditions.

Get More Than Three Applications per Week

Three applications per week mean 150 in a year. In view of the actual accomplishments of many agents this is certainly not too many applications averaging \$2,500 for a real life insurance salesman who is devoting full time to the work to produce. Many agents have secured 300 in a year. In fact some agents secured over 400 applications in a month. Twenty-five hundred dollars per policy is a low average these days. In many an agency the average is \$4,000 and in some it is \$8,000 for an entire agency of 50 men or more.

Keep Records to Eliminate Waste

When any agent who has demonstrated his ability as a salesman is not producing satisfactory results, the only conclusion which can be reached from an analysis of the production experience table is that he is not making the necessary effort or something is interfering which he ought to eliminate. To be able to locate this trouble, a salesman should keep as conscientious a record of his efforts as he does of his prospects. This

is equally as important as it is for a business firm to keep books. If a firm kept no record of goods received and sold, and a loss was shown when inventory time came around, it would not be possible to check it up.

Keep Inventory of His Time

A salesman's time represents goods. If at the end of any month he finds that his business has not been satisfactory, it is difficult to check up the reason unless he has a record of his calls and interviews, thus showing how he spent his time each day. A few minutes daily should be sufficient to spend on this record. Those who spend considerable time figuring what they can do and should do and are going to do, consume time which should be spent on prospects. A production table, no matter how accurate or elaborate it may be, will of itself produce no results. The law of average will not work unless it is worked.

Make More Calls to Sell More Insurance

In considering your work in connection with this table, remember that if you make calls, you will get interviews; and if you get interviews, you will get business; and if you get business, you will make money. Therefore to make money, make calls, calls, calls.

State Mutual's Davenport Meeting

Members of the Iowa and western Illinois agency staff of the State Mutual Life were entertained at a dinner and all-day sales conference in Davenport, Ia., last week. A. Ollie Fersch and Morris Simonson of Toledo, Ia., received weekly producers' emblems from the home office.

Stephen Ireland, superintendent of agencies, and Roy Lathrop, general agent in Minneapolis, were speakers at the meeting.

Duffin Faces Federal Charge

James R. Duffin of Louisville, former president of the Inter-Southern Life has been reindicted in the United States district court at Louisville on the charge of perjury. He is accused of making false statements regarding his income tax returns. He gave bond for \$2,500.

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Organized 1850 Non-Participating Policies Only

Over 71 Years of Service to
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Good territory for personal pro-
ducers, under direct contract.

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Manager Wanted

An old established eastern company has a general agency open for Eastern Missouri. An excellent opportunity for a life insurance man of standing and ability who has managerial qualifications. This is a large progressive company with a very substantial volume in force in this territory.

An interesting arrangement will be made with the right man. State age, experience and full particulars. Correspondence confidential. Address Box U-79, National Underwriter.

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and the
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assure
OUR AGENTS
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is SECURE
Write for
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Write today for proof sheets of cartoon cuts
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That question is in the mind of every ambitious man. It's in your mind.
If the answer does not satisfy, it will pay you to learn the advantages of a life underwriting contract with Fidelity.

Fidelity originated the disability provision, the double benefit feature, and the "Income for Life" plan. It operates in forty states on a full level net premium basis with more than \$68,000,000 in assets and over \$330,000,000 insurance in force.

More than 36,000 direct leads a year
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**THE FIDELITY MUTUAL LIFE
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Walter LeMar Talbot, President

Real Estate Loan Man

42 years of age with 15 years' experience as executive officer of farm loan company operating in Iowa, Minnesota, South Dakota and Nebraska, desires position in loan department of life insurance company. References furnished. Address U-81 Care The National Underwriter.



BANKERS LIFE INSURANCE COMPANY OF NEBRASKA

Assets \$28,700,000

Insurance in Force over \$117,000,000

Issues up-to-date Policies, both Participating and Non-Participating, with Double Indemnity and Disability Benefits.

For many years the Bankers Life has had more insurance in force in its home state than any other company, and all of its business has been written by its own agents.

Forty years of successful and conservative management have resulted in financial statements and in dividends to policyholders unequaled in insurance history.

Having laid a foundation broad enough and strong enough for a building of any size, the Company is now ready to erect the superstructure.

If you wish to invest your time and energy where it will make the largest returns in money, satisfaction, peace of mind and pride in the institution you represent, it will pay you to investigate.

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Opportunities Are Open for Producers, General Agents and Supervisors in the Following States:

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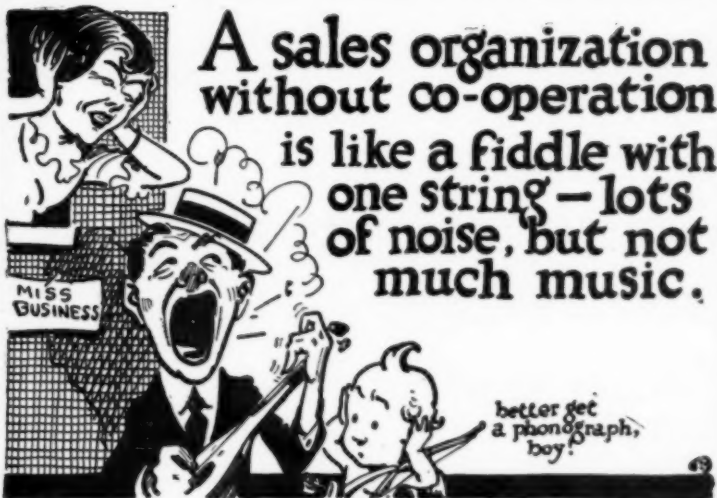
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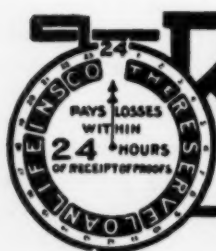
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